



The 1997-1998  
Legislative Session

Years of  
Achievement

Assembly  
Democratic  
Caucus

Final Report

*SPEAKER ANTONIO R. VILLARAIGOSA*

Prepared by  
the Speaker's Office of Member Services,  
the Speaker's Office of Policy &  
Assembly Committee Consultants

October 1, 1998

Dear Friends:

As promised, here is a very inclusive update of the 1997-1998 session of the California Legislature, one of the most productive sessions in California history. We passed:

- The most comprehensive **welfare reform** in California history;
- The **largest legislative tax cuts** in California history;
- The **largest school bond** in history of the U.S.;
- The **Healthy Families Program** that subsidizes health care for low-income children;
- The **largest increase in school funding** in California history – including a series of educational reforms **lengthening the school year**, mandating **higher academic standards**, providing \$1 billion for school **textbooks**, **reducing class sizes**, and permitting more **charter schools**;
- Significant **court reforms** that will also benefit local governments;
- Landmark legislation to help **convict violent felons** using cutting-edge DNA technology;
- **Background checks** to protect vulnerable victims of crimes ranging from toddlers to seniors;
- Funding to protect the largest virgin forest of **redwoods** left in California;
- Some important **HMO reforms**;
- Increased **protections for elders** at risk of abuse;
- Bills to **suppress gang violence**;
- Enhanced **victims' rights**;
- Legislation to **protect valuable farmland** from urban encroachment;
- New laws to **slow teen smoking** and **protect children from tobacco** advertising; and
- Provided easier access to **higher education**.

The results of this session prove that when we put aside partisan considerations and work on behalf of the people of California, great things can be accomplished. As Speaker of the Assembly, I initiated a dialogue with Minority Leader Bill Leonard which helped result in this unusual bipartisan accord.

Unfortunately, the Governor saw fit to veto a high number of important bills, including reenactment and extension of the **bottle recycling program**, some strong measures to **protect the coast**, a ban on **assault weapons** and the manufacture of **cheap "Saturday Night Specials."**

Nevertheless, it was a very productive session overall. Credit for that must go the Committee Chairs and Members and the Assembly's fine staff. Together, we worked through many of the tough issues and, more often than not, came up with solutions that in real ways assist the people of the State of California.

When measured against that goal, the 1997-98 session was productive indeed.

Sincerely,

ANTONIO R. VILLARAIGOSA  
Speaker of the Assembly

## Agriculture

Assembly Democrats took active steps during the 1997-98 legislative session to protect and enhance California agriculture, the “Breadbasket of the World,” to make sure the regulatory process works both for farmers and the consuming public.

Led by its strong chair, Assemblyman Dennis Cardoza, the Assembly Committee on Agriculture addressed issues important to consumers, the agriculture community, and agriculture-related industries. The concept of government working smarter rather than larger was the main theme of discussion. Several measures were moved through the committee which increased the responsibility of the industry to keep consumers safe while providing a “good government” approach to problem solving.

Legislation was approved by the committee to continue funding of the Department of Pesticide Regulation, to ensure that improper use of pesticides is stopped with swift action while allowing appropriate use of necessary materials that have been properly registered with the department.

Following are some of the key bills passed by the Assembly this session:

**AB 440 (Prenter) Dairy Products.** Conforms the state labeling requirements for various milk products to federal regulations, allowing milk processors in California to package one product which may be used throughout the nation. Provides clearer and more consistent information to consumers and will allow more producers and processors to enter the “organic milk” market by changing California’s rigid organic law to be similar to neighboring states. This will provide greater competition in the milk specialty market and provide consumers with greater availability of products.

*Status: Signed by the Governor.*

**AB 460 (House) Veterinary Medicine.** Helps California poultry producers compete with out-of-state producers by allowing the California poultry producers to have staff veterinarians licensed by the state Veterinary Medical Board. Due to changes in federal law, many commonly used drugs now must be prescribed and only licensed veterinarians can prescribe these products.

*Status: Signed by the Governor.*

**AB 463 (Machado) Nonprofit Cooperative Associations.** Clarifies the distribution of dividends to agricultural cooperative members that are derived from non-member products by allowing those ‘other’ revenues to be fully distributed, after expenses, giving income back to the cooperative members.

*Status: Signed by the Governor.*

**AB 503 (Cardoza) Weights and Measures.** Provides authorization for the Department of Food and Agriculture (Department) to conform to changes in federal regulation related to

commercial weighing. Additionally, this bill provides industry the option to petition the Department to change methods of commercial weighing based on new techniques. This bill provides California's commercial businesses with a single method for weighing commercial transactions, resulting in the easing of government regulations on businesses.

*Status: Signed by the Governor.*

**AB 593 (Cardoza) Eggs.** Requires all eggs processed and sold in California to have a "Sell-by:" date, a "Keep Refrigerated" notice, and a plant of origin identification in order to better protect the public health.

*Status: Signed by the Governor.*

**AB 623 (Machado) California Rice Commission.** Provides statutory authority to create the California Rice Commission for producers and handlers, for the purposes of engaging in research and market expansion activities. Prescribes the membership and specifies the powers, duties, and responsibilities of the commission.

*Status: Signed by Governor.*

**AB 839 (Thomson) Veterinary Medicine.** Eliminates obsolete code sections and conforms Food and Agriculture code to the recommendations of the Joint Legislative Sunset Review Committee.

*Status: Signed by the Governor.*

**AB 1058 (Cardoza) Milk Marketing.** Eliminates the January 1, 1999 sunset date, making permanent the annual voluntary election for a dairy to move from a Grade A facility to a Grade B facility, and vice versa, for the marketing of manufactured milk. Producers who wish to leave the pool and surrender their Grade A permits must declare their intention to do so on January 1 of each year, and are bound by this declaration for a period of one year.

*Status: Signed by Governor.*

**AB 1129 (Prenter) Livestock Slaughter.** Provides additional tools to address the problem of the illegal slaughter of animals under unsanitary conditions and in unlicensed and uninspected facilities. Gives the Department alternatives to deter ranchers from allowing such slaughter on their property.

*Status: Signed by the Governor.*

**AB 1525 (Ashburn) Marketing Orders: Butter and Cheese.** Allows the California Milk Advisory Board to allocate funds to promote private brand or trade names for butter and certain cheeses as part of its advertising and sales promotion plan.

*Status: Signed by the Governor.*

**AB 1559 (Cardoza) Food Safety.** Redirects the existing surcharge paid by food manufacturers, packagers, or processors to the Department of Health Services to assist in developing and implementing food safety education and training programs.

*Status: Signed by the Governor.*

**AB 1875 (Prenter) Curly Top Virus Program and San Joaquin Valley Quality Cotton District.** Makes permanent the industry funded program to control curly top virus and its oversight board. Authorizes non-approved cotton varieties to be grown in the San Joaquin Valley Quality Cotton District and requires regulations to be adopted to monitor and protect the quality of the approved cotton varieties grown in the district. Authorizes an assessment on non-approved cotton varieties for the enforcement of regulations.  
*Status: Signed by the Governor.*

**AB 1998 (Thomson) Agricultural Chemical Reduction Pilot Demonstration Projects.** Establishes within the University of California a program of pilot demonstration projects designed to provide extension services, training and financial incentives for participating farmers to implement biologically integrated farming systems.  
*Status: Signed by the Governor.*

**AB 2283 (Assembly Committee on Agriculture) Pest Exclusion Programs.** Protects the agriculture industry from losses now resulting from the importation of pests and the cost of enforcement of which falls disproportionately upon a few county agricultural commissioners with inadequate budgets. Requires the department and the counties to develop workplans in consultation with affected industries for the purpose of excluding "high risk pests" from California. Creates performance standards for county based high-risk pest exclusion activities and is intended to compliment the \$5 million General Fund augmentation of county pest-exclusion programs included in the 1998 Budget Act.  
*Status: Signed by the Governor.*

**AB 2341 (Assembly Committee on Agriculture) California Seed Law.** Extends for five years the sunset on subventions paid by the seed industry so that county agricultural commissioners have the funds to take seed samples from warehouses and send them to the state seed laboratory where they are checked for purity and germination rates. Makes technical modifications to the Seed Advisory Board.  
*Status: Signed by the Governor.*

**AB 2756 (Assembly Committee on Agriculture) Purchasing Delegation Program: District Agricultural Associations (Fairs).** Allows the State Department of General Services, in conjunction with the State Department of Food and Agriculture, to delegate purchasing authorities for individual District Agricultural Associations higher or lower than the \$15,000 benchmark allowed under current law.  
*Status: Signed by the Governor.*

**AB 2758 (Assembly Committee on Agriculture) Onion and Garlic Standards Program.** Extends the sunset of the garlic and onion quality standards program which authorizes raw product to be inspected in order to establish quality, which in turn is used to establish price.  
*Status: Signed by the Governor.*

**AB 2759 (Assembly Committee on Agriculture) Eggs.** Exempts “Sell-by” labeling requirements on eggs sold for export and military purposes; requires pack date to be labeled on containers and prohibits returned eggs from being reprocessed for retail shell egg sales.  
*Status: Signed by the Governor.*

**AB 2761 (Assembly Committee on Agriculture) Advisory, Marketing and Promotional Boards, Councils and Commissions.** Permits councils and commissions to be recognized by the United States Department of Agriculture for the purpose of regulating the handling of agricultural commodities.  
*Status: Signed by the Governor.*

**AB 2769 (Assembly Committee on Agriculture) Special Assessments: Fruit Trees.** Extends the sunset provisions for five years on a 1% assessment for specified trees and grapevines paid by nursery dealers and makes technical changes.  
*Status: Signed by the Governor.*

**SB 80 (Kopp) Veterinary Medicine: Euthanasia.** Authorizes registered veterinary technicians to apply for the direct purchase of sodium pentobarbital for the performance of euthanasia. The need for an alternative to a licensed veterinarian to administer and purchase this drug has increased due to rural areas having limited access to full time veterinarians and to urban shelters having limited financial support to fund a full-time veterinarian.  
*Status: Signed by the Governor.*

**SB 155 (Kelley) Veterinary Medicine: License Renewal: Continuing Education.** Requires veterinarians to complete 36 hours of continuing education over a 24-month period prior to renewal of their license, beginning January 1, 2001; includes penalties and fines for false statements; and requires the adoption of regulations, as necessary, for implementation by the Veterinary Medical Board.  
*Status: Signed by the Governor.*

**SB 175 (Kelley) Milk Stabilization and Marketing Plan.** Brings California dairy product labeling into conformity with federal regulations on various dairy products and makes a technical correction to current statute. Changes “Lowfat” to “Reduced Fat” and adds the terms “Reduced Fat Milk, Light Milk, Skim Milk, and Fat Free Milk” to specified milk products.  
*Status: Signed by Governor.*

**SB 494 (Maddy) District Agricultural Associations.** Clarifies the role of the Department of Food and Agriculture in takeovers of the management of a fair which was in financial or administrative chaos and specifies the breadth of authority given to the department in those instances.  
*Status: Signed by the Governor.*

**SB 603 (Monteith) Pesticide Evaluation.** Requires the Department of Pesticide Regulation to establish a “timely evaluation” process for the initial evaluation of a pesticide to be used in California, thereby reducing the cost to industry and help protect the public health and safety.

*Status: Signed by the Governor.*

**SB 920 (Thompson) Olive Oil Labeling.** Creates a standard for the labeling of California-produced olive oil for the purpose of providing better information to consumers regarding its origin.

*Status: Signed by the Governor.*

**SB 972 (Greene) California Exposition and State Fair.** Moves the oversight of the State Fair from the Legislature to the Division of Fairs, similar to the oversight process for all county fairs in the state. Reduces the overhead cost of the State Fair while maintaining appropriate oversight of the activities of the State Fair Board of Directors.

*Status: Signed by the Governor.*

**SB 1161 (Costa) Pesticides.** Establishes the level of assessment to be charged on all pesticides sold in California to fund the registration, enforcement and review of pesticide uses in California.

*Status: Signed by the Governor.*

**SB 1182 (Costa) Agricultural Land: Preservation Programs: Farmland Security Zones.** Allows two or more landowners to petition county boards of supervisors to create farmland security zones which enable land owners that have Williamson Act contracts to rescind their traditional 10 year contracts and enter into rolling 20 year contracts.

*Status: Signed by Governor.*

**SB 1240 (Costa) Williamson Act.** Allows land owners to exchange Williamson Act contracts for 30-year agricultural easements, providing farmers and ranchers the opportunity to continue their efforts to conserve agricultural lands. California's agricultural lands are a valued resource to the state, but suffer from increasing urban encroachment.

*Status: Signed by the Governor.*

**SB 1460 (Maddy) State Fairs.** Authorizes the Department of Food and Agriculture (CDFA) to conduct fiscal and performance audits of county fairs and citrus fruit fairs and authorizes the CDFA to be funded to cover the cost of audits.

*Status: Signed by the Governor.*

**SB 1738 (Kelley) Renderers: Transportation: Fees.** Adds haulers of inedible kitchen grease to the list that the California Highway Patrol may stop and gives the CHP the authority to take possession of a vehicle. Inedible kitchen grease has become a high value item which is often targeted by criminals. This by-product of restaurants is used in the preparation of commercial animal feeds, industrial lubricants, and other consumer products. It is important that this by-product is properly handled and is not contaminated.

*Status: Signed by the Governor.*

**SB 1835 (Johnston) Land Use: Williamson Act Contracts.** Clarifies and makes technical changes to provisions of the Williamson Act relating to contracts.  
*Status: Signed by the Governor.*

**SB 2003 (Knight) Veterinary Medical Board.** Requires the Veterinary Medical Board (board) to issue temporary licenses to practice veterinary medicine in California and waive the state testing for valid out-of-state licensed veterinarians. Changes the requirements for testing of all applicants and creates a one-year temporary license for qualifying internship or residency programs. These requirements will sunset July 1, 2002.  
*Status: Signed by the Governor.*

**SB 2227 (Monteith) Land Conservation Contracts.** Clarifies provisions of the Cortese-Knox Act relative to the annexation of Williamson Act contracted land by cities.  
*Status: Signed by the Governor.*



## Banking and Finance

Assembly Democrats believe that one of the major responsibilities of the Legislature is to ensure that strong consumer protections and safeguards related to financial transactions are firmly in place - and strengthened - for California consumers. This includes making identity theft a crime, providing for easier prosecution of criminals who are laundering money, and protecting senior homeowners from being defrauded by unscrupulous sellers of phony mortgage services.

Another important consumer issue for Assembly Democrats is to make sure that financial regulators uphold their responsibilities in an equitable and cost-beneficial manner to California consumers and to the entities they regulate.

During the 1997-98 session, under the guidance and leadership of Chairman Lou Papan, the Assembly Banking and Finance Committee intensified its efforts in those critical areas, as well other financial areas affecting consumers, banks and other financial entities.

The Committee also protected California consumers by defeating anti-consumer legislation that would have allowed loans secured by title to a consumer's automobile to be made at unconscionable annual percentage rates of 243% to 288%.

Assembly Democrats must work within a frame of reference that recognizes the rights of consumers and the needs of the business community and achieves fairness in the allocation of risk. They must also recognize the need to intervene by statute when the bargaining position of the parties is manifestly unequal. The following measures are evidence of this quest for balance.

**AB 156 (Murray) Personal Information: Credit-Reporting Agencies.** Makes identity theft -- when a thief acquires your ID and assumes your identity for fraudulent purposes -- a crime. In addition, this bill imposes restrictions on the credit approval process in an effort to combat the ability of a thief to steal another individual's identity.

*Status: Signed by the Governor.*

**AB 185 (Papan) Interpretation of Contracts: Foreign Currency Consideration.** Ensures enforceability of those contracts when that foreign currency is later converted to the "euro-dollar," the monetary unit of the European Union. As the European Union moves to create a single European currency, concerns have been raised over the fate of contracts entered into in California whose terms are expressed in relationship to an existing European currency.

*Status: Signed by the Governor.*

**AB 195 (Murray) Money Laundering: Financial Institutions.** Makes it easier to prosecute criminals who launder money over an extended period of time.

*Status: Signed by the Governor.*

**AB 456 (Ducheny) Reverse Annuity Mortgages for Seniors.** Ensures that accurate information is given to seniors who are considering a mortgage that enables them to borrow against their equity and receive monthly payments during retirement. There have been many instances of senior homeowners being defrauded by unscrupulous sellers of mortgage services.

*Status: Signed by the Governor.*

**AB 782 (Papan) Bond Acts: Finance Committees.** Consolidates 36 bond financing committees into eight, thereby reducing costs to the state and increasing accountability to the voters, in an effort to streamline government and end duplication of efforts.

*Status: Vetoed by the Governor.*

**AB 1104 (Knox) Point-of-Sale Disclosure Fees.** Requires disclosure of any fee for the use of an ATM prior to the transaction being consummated.

*Status: Signed by the Governor.*

**AB 1160 (Shelley) Deeds of Trust.** Creates new and alternative criteria to require discontinuance of private mortgage insurance (PMI) or mortgage guarantee insurance (MGI). Lenders are prohibited from charging or collecting payments for PMI or MGI if the conditions enumerated in all of the conditions enumerated in the bill are met. Too often property owners are asked to pay for reducing the lender's even though the loan to value ratio is such that there is virtually no risk to the lender.

*Status: Signed by the Governor.*

**AB 1432 (Papan) Regulation of Bank Examination Fees and Point-of-Regulator Intervention.** Conforms state law to federal law, making it easier for the state to close a state-chartered bank that is defaulting on its obligations, thus protecting bank consumers.

*Status: Signed by the Governor.*

**AB 1874 (Honda) Local Agencies: Deposit of Funds.** Narrows the scope of conflict of interest rules to allow certain employees of local agencies who do not hold investment decision making authority to serve as official volunteers in credit union management where these local agencies hold funds in the credit union. This will allow these nonprofit cooperative institutions to have the volunteer services from their local agency members.

*Status: Signed by the Governor.*

**AB 2300 (Papan) Filing Fees.** Authorizes, with local government approval, a \$2 court paper-filing surcharge. The funds are to be used to provide children's waiting room services for children whose parents or guardians attend court proceedings on an infrequent basis, either as litigants, witnesses or for other court purposes, as determined by the court.

*Status: Vetoed by the Governor.*

**SB 271 (Thompson) State Lands Commission Revenues.** Resources and environmental programs have suffered from the lack of a stable source of funding. The creation of the

Resources Trust Fund will provide a fairly predictable source of revenue for certain resources and environmental protection programs for the next five years.

*Status: Signed by the Governor.*

**SB 768 (Thompson) Blue Sky Laws.** “Blue Sky Laws,” a name for laws enacted to protect the public against securities fraud, is a term believed to have originated when a judge ruled that a particular stock had about the same value as a patch of blue sky. As charlatans have become more creative in offering blue sky clothed in illusory value, this bill closes a major loophole in California law and makes it easier for the courts to find against such unscrupulous investment counselors.

*Status: Vetoed by the Governor.*

**SB 788 (Burton) Pawnbrokers.** Allows pawnbrokers additional time to retrieve valuable property stored off-site, while protecting the borrower against additional interest rate charges under these circumstances. Stops unscrupulous pawnbrokers from circumventing loan regulations and gives borrowers additional time to retrieve their property.

*Status: Vetoed by the Governor.*

**SB 795 (Kopp) Real Estate Mortgage Brokers, Regulation.** Provides people looking for safe, adequate yielding investment alternatives for their future with the means and opportunity to gather as much information as is reasonably available prior to committing their resources to various real estate investments. Some people are doubtful that programs such as Social Security will still exist when they are ready to retire or that the benefits will be inadequate.

*Status: Signed by the Governor.*

**SB 1291 (Calderon) Automobile Leases Disclosures.** Requires a car dealer to provide the consumer with sufficient information upon which to make a knowledgeable decision regarding whether leasing an auto is a better deal than buying one.

*Status: Signed by the Governor.*

**SB 1554 (Kopp) Real Estate Brokers.** Allows participants in real property secured transactions adequate notice of the terms of the proposed transactions and an opportunity to assess the risk involved. In addition, it imposes sanctions upon brokers, agents and sales persons who violate its provisions.

*Status: Signed by the Governor.*

**SB 1685 (Burton) Pawnbrokers: Compensation.** Current law for pawnbroker loans contains two rate schedules: one based on fixed rates for a three-month period of a loan, and the second on a percentage rate of the remaining balance of the loan for the fourth month. This combination of rate schedules has long been viewed by pawnbrokers and their customers as too confusing and complicated. This bill's single fee schedule for pawnbroker's loans keeps costs to consumers of these loans almost identical to current law, while simplifying the calculations of fees for these loans.

*Status: Vetoed by the Governor.*

**SB 2060 (Kopp) Investment Securities.** Allows the Department of Corporations to more effectively take action against broker-dealers and investment advisers that violate certain provisions of the Corporate Securities Law. Broker-dealers are defined as any person who is in the business of effecting transactions in securities in this state for the account of others or his or her own account. Investment advisers are defined as any person who, for compensation, engages in the business of advising others on the value of securities and investing in those securities. Investment advisers also include anyone who uses the title “financial planner.”

*Status: Signed by the Governor.*

**SJR 43 (Polanco) Credit Unions.** Urges Congress to enact HR 1151, the Credit Union Field of Membership legislation. Without the enactment of HR 1151 to overturn an adverse Supreme Court decision, millions of Californians will be permanently disenfranchised from joining a credit union simply because they own or work for a small business. Since credit unions are owned by community members, they benefit the community in providing alternative, safe and sound financial services. Furthermore, with low fees and attention to customers, credit unions keep pressure on commercial banks to meet customer needs.

*Status: Adopted.*

## **Consumer Protection, Governmental Efficiency & Economic Development**

At a time when information is everywhere, the very amount of available information creates confusion. Added to that are the growing number of people who, for reasons ranging from gaining a business advantage to attempting to commit fraud, purposely create deceptive information. Assembly Democrats took aim at some of the more pernicious forms of consumer deception this 1997-98 legislative session that allow even a reasonably astute consumer to be tricked.

Under the able leadership of its chair, Assemblywoman Susan Davis, the Assembly Committee on Consumer Protection, Governmental Efficiency and Economic Development addressed efforts to deceive property owners, acted to protect individual privacy, created new incentives to attract large manufacturing concerns to California, required state government to be more efficient in its purchases and moved to make sure consumers are protected from poor home improvement workmanship.

Some of the major bills passed by the Assembly this session include:

**AB 633 (Cardenas) Statewide Capital Needs Assessment for Small Business Loan Guarantee Program.** Appropriates \$100,000 to the Trade and Commerce Agency to contract for an independent capital needs assessment. This assessment will be a precursor to future growth of California's Small Business Loan Guarantee Program.  
*Status: Signed by the Governor.*

**AB 1159 (Bowen) Improved Procedures for the Purchase of Goods and Services.** Authorizes the Department of General Services to utilize more efficient procedures relating to the purchase of goods, services, and information technology products.  
*Status: Signed by the Governor.*

**AB 1178 (Davis) Deceptive Advertising Practices.** Prohibits certain deceptive advertising practices related to services which offer to file either a property tax homeowners' exemption or a property tax assessment appeal.  
*Status: Signed by the Governor.*

**AB 1507 (Cardoza) California Rural Development Council.** Creates the California Rural Development Council to improve the quality of life and economic development of rural California communities.  
*Status: Vetoed by the Governor.*

**AB 1537 (Machado) School Facilities Inspectors.** Improves the training and education of school facilities' inspectors.  
*Status: Signed by the Governor.*

**AB 1676 (Bowen) Advertising: Electronic Mail.** Prohibits unsolicited advertising by electronic mail (spamming).  
*Status: Signed by the Governor.*

**AB 1705 (Torlakson) Cremated Remains.** Makes numerous changes to the regulation of cremated remains disposition and authorizes scattering of remains on private lands.  
*Status: Signed by the Governor.*

**AB 1709 (Alquist) Burial Expense Disclosure.** Requires funeral directors to make available to consumers a guide to funeral and cemetery purchases, including prices of caskets, cemetery plots, etc.  
*Status: Signed by the Governor.*

**AB 1752 (Davis) Business Investments.** Provides for state financial assistance to start-up and early stage companies.  
*Status: Held in Senate Revenue and Taxation Committee.*

**AB 1810 (Davis) Charitable Fundraising.** Increases the regulation of charitable fundraising.  
*Status: Signed by the Governor.*

**AB 1848 (Davis) Lemon Law Expansion.** Enhances consumer protection by expanding California's automobile "Lemon Law" to include vehicles purchased by small businesses.  
*Status: Signed by the Governor.*

**AB 1856 (Vincent) Pets.** Requires all public animal control agencies or shelters, society for the prevention of cruelty to animals shelters, humane shelters, and rescue groups in counties over 100,000 (and cities within those counties) to spay or neuter any dog or cat that it sells or gives away. If a dog or cat is injured or too sick to be spayed or neutered, it may be released to a person who pays a sterilization deposit and agrees in writing to have the animal sterilized.  
*Status: Signed by the Governor.*

**AB 1891 (Davis) Small Business Financial Development Corporations.** Reforms the operating procedures of the Small Business Loan Guarantee Program, setting the stage for future growth in the program.  
*Status: Signed by the Governor.*

**AB 1994 (Bowen) Advertising: Prepaid Calling Cards and Services.** Regulates the advertising and sale of prepaid telephone calling cards.  
*Status: Signed by the Governor.*

**AB 2134 (Escutia) Telephone Solicitation.** Requires local phone companies to inform their customers about state and federal laws that protect the privacy rights of telephone consumers.  
*Status: Signed by the Governor.*

**AB 2142 (Brown) Telecommunications: Truth in Billing.** Prohibits a person or corporation from misrepresenting its association or affiliation with a telephone carrier when soliciting, inducing or otherwise implementing the subscriber's agreement to purchase the products or services of the corporation and having the charge for the service appear on the subscriber's telephone bill.

*Status: Signed by the Governor.*

**AB 2251 (Honda) Broker-Dealer Agents: Registration.** Modifies the registration process of securities sales agents in order to enhance enforcement activity against agents engaged in abusive or illegal sales practices.

*Status: Signed by the Governor.*

**AB 2410 (Shelley) Motor Vehicles: Reacquisition Agreements.** Prohibits gag clauses in "Lemon Law" settlement agreements, thus ensuring that certain unsafe practices of auto manufacturers are not kept secret.

*Status: Signed by the Governor.*

**AB 2733 (Wildman) Bail Fugitive Recovery Persons.** Regulates bail enforcement agents (bounty hunters) for the purpose of enhancing citizen protection from unsafe practices of bounty hunters.

*Status: Vetoed by the Governor.*

**SB 458 (Peace) Protection of Personal Information.** Prohibits state agencies from openly displaying personal information, such as social security numbers, telephone numbers, and driver's license numbers, on outgoing correspondence. The measure should help prevent identity theft by making it more difficult for thieves to obtain personal information needed to fraudulently apply for credit.

*Status: Signed by the Governor.*

**SB 566 (Thompson) Capital Investment Incentives.** Authorizes local agencies to rebate a portion of property taxes generated by a manufacturing facility that costs at least \$150 million. The bill is intended to attract large, capital intensive manufacturing facilities to California, such as a semiconductor manufacturing plant.

*Status: Signed by the Governor.*

**SB 597 (Peace) Internet Use.** Clarifies that existing law's restrictions related to false or deceptive advertising extends to any advertising made via the Internet.

*Status: Signed by the Governor.*

**SB 857 (Polanco) Protection for Consumers of Home Improvement Services.** Resolves litigation over restrictions on the type of work a general building contractor can perform. By codifying a slightly modified version of a regulation that reflects 50 years of industry practice, the bill should help ensure that consumers of building services are properly protected from unqualified contractors performing home improvement work.

*Status: Signed by the Governor.*

**SB 1270 (Johnston) New Building for Departments of Health Services, Education and General Services.** Authorizes the Director of General Services to acquire property and construct \$1.5 million square feet of facilities to accommodate the consolidated housing of the Departments of Health Services, Education, and General Services. The total cost of the project, intended to house 6,400 employees, is limited to \$385 million.

*Status: Signed by the Governor.*

**SB 1360 (Alpert) Human Remains: Disposition.** Modifies the right of control over human remains disposition so that anyone charged in connection with a death no longer has the first right of control.

*Status: Signed by the Governor.*

**SB 1476 (Costa) Sweepstakes Solicitation.** Modifies prohibitions relating to participation in sweepstakes.

*Status: Signed by the Governor.*

**SB 1676 (Kopp) Accuracy of Parking Meters.** Specifies that a county sealer of weights and measures may test and certify the accuracy of all parking meters within the county.

*Status: Signed by the Governor.*

**SB 1780 (Peace) Contest Advertising: Sweepstakes.** Prohibits solicitation materials containing sweepstakes entry materials from representing that a person is a winner or has already won a prize unless that person has, in fact, won a prize.

*Status: Signed by the Governor.*

This bill failed to pass the Committee.

**AB 2503 (Goldsmith) State Agencies.** Abolishes all state agencies effective January 1, 2005.



## Education

Assembly Democrats fully understand that education is the primary – and, in many cases, the only – way that children from all economic and cultural backgrounds can ever hope to achieve their fullest potential as productive members of California's diverse society. They also understand that if California is to remain competitive in both the national and the worldwide economy, a quality public school system is essential.

This 1997-98 legislative session, under the leadership of Assemblywoman Kerri Mazzone, the Assembly Education Committee redoubled its efforts to reduce class size, one of the most important steps in improving the quality of California education. Ninety-five percent of the school districts elected to participate in the \$1 billion program passed by the Legislature in 1996, and 18,400 new teachers were hired to implement the program. The budget passed in 1997 expands the class size reduction program from three to four grades (K-3) and fully funds the costs of the program.

Additionally, the Assembly Education Committee worked to improve pupil learning, increase education accountability, help provide needed school facilities and increase the use of technology in schools.

The Legislature has assumed the leadership role in the reform and improvement of public education in California. During the past three years, the Legislature enacted landmark education legislation to:

- Reduce class size in grades K-3;
- Establish the highest academic standards in the nation in math, English/language arts, history/social sciences, and science;
- Implement a statewide testing program;
- Implement a statewide policy of Zero Tolerance for bringing weapons to school;
- Add more instructional days to the school year;
- Improve the quality of teachers.

While these are significant actions, the work is not finished. Given this, the Legislature continues its work. The following bills are part of this effort:

**AB 18 (Mazzone) Meeting the Demand for Better Teachers.** Increases the supply of qualified teachers by allowing a retired teacher to return to the classroom and earn a full salary and, for up to three years, retain his or her retirement. One of the side effects of Class Size Reduction has been the need to rapidly increase the number of qualified teachers. Allows all districts to participate in the District Intern Program, which provides training and assistance to teachers who are not yet fully credentialed. Participating districts must certify that there are insufficient numbers of fully credentialed teachers available.

*Status: Signed by the Governor.*

**AB 39 (Mazzoni) School Finance Equalization.** Equalizes the amount of funding provided to county offices of education.

*Status: Vetoed by the Governor.*

**AB 64 (Baca) Digital High School.** Provides grants equal to \$300 per pupil to high schools for technology installation. Participating districts are required to match grant funds with their own resources.

*Status: Signed by the Governor.*

**AB 351 (Scott) Teaching Apprentice Program.** Creates the Teaching Apprentice Program to improve the quality of teachers. Creates a structured training program to provide support and professional development to apprentice teachers.

*Status: Signed by the Governor.*

**AB 353 (Wildman) Paraprofessional Teacher Training.** Expands and modifies the California School Paraprofessional Teacher Training Program to develop the teaching careers of teacher aides in schools. Removes the pilot program status of the program and expands it by 600 additional participants over the next three years.

*Status: Signed by the Governor.*

**AB 365 (Kuehl) Increased Graduation Requirements.** Requires pupils to complete one course in visual or performing arts and one course in foreign language in order to graduate from high school.

*Status: Vetoed by the Governor.*

**AB 412 (Wildman) Suspension and Expulsion.** Ensures that districts collect expulsion and suspension data in a way that can help school communities and the Legislature understand the rate and nature of crimes occurring on school campuses. Ensures that districts provide parents whose children have been expelled or suspended with a precise written record of the reason.

*Status: Signed by the Governor.*

**AB 418 (Migden) Postsecondary Academic Preparation.** Creates a program to provide grants to local education agencies to develop new or utilize existing academic preparation programs to help more students in underserved areas of the state go to college. Creates the California Collaborative for Improving Academic Preparation (CCIAP), which would provide services such as information, financial planning and tutoring for high school students. The CCIAP would accomplish its objective by obtaining services from existing, or developing new, collaborations among schools, businesses and industries, community organizations and colleges and universities.

*Status: Vetoed by the Governor.*

**AB 504 (Wildman) Low Incidence Disability Guidelines.** Requires the Department of Education to develop guidelines for statewide regionalization of service delivery for pupils with low incidence disabilities, a severe handicapping condition with an expected incidence rate of

less than one percent of the total statewide enrollment, and to develop a unified cost model for regionalized programs.

*Status: Vetoed by the Governor.*

**AB 544 (Lempert) Charter Schools.** Makes comprehensive changes to charter school law related to, among other things: a) the limit on the number of charter schools that may operate (specifically, the bill lifts the cap on the number of charters schools allowed to operate in the state from 100 to 250 in 1998-99 and allows for an additional 100 charters each year thereafter); b) the granting and revocation of charters; c) funding and facilities; and d) allowing charter schools to operate as nonprofit public benefit corporations.

*Status: Signed by the Governor.*

**AB 572 (Caldera) Improving School Accountability Report Cards.** Requires that certain information be included in school accountability report cards that districts are required to provide to the public so that parents can compare and evaluate schools and school districts.

*Status: Signed by the Governor.*

**AB 602 (Davis) Special Education Program Funding Reform.** Establishes a new method of funding special education that ensures greater equity in funding among school districts, allows school districts and county offices flexibility to design the best programs possible for students, and eliminates inappropriate fiscal incentives.

*Status: Signed by the Governor.*

**AB 676 (Strom-Martin) Classroom Telephones.** Guarantees that all future classrooms be equipped with telephone connections so that teachers have access to emergency services in the event of a safety emergency and students have access to the Internet.

*Status: Vetoed by the Governor.*

**AB 748 (Escutia) Improving Assessment for English Learners.** Establishes a test that would be used to measure English learners' progress toward acquiring English language skills. The bill also requires the State Board of Education to adopt English language development standards that are comparable to the statewide standards for the general K-12 population.

*Status: Signed by the Governor.*

**AB 858 (Davis) National Board Certification.** Waives California requirements for out-of-state teachers certified by the National Board for Professional Teaching Standards (NBPTS) and provides funding for California teachers to achieve National Board certification to promote nationally-recognized high teaching standards. The NBPTS was created in 1987 after a Carnegie task force recommended that the teaching profession set standards and certify teachers who meet those standards.

*Status: Signed by the Governor.*

**AB 862 (Ducheny) Library Resources.** Creates the California Public School Library Act of 1998, which is to be administered by the Superintendent of Public Instruction, for the purpose

of providing funding to school districts to purchase library resources, including books, periodicals, microforms, computer software, CD ROMs and other resources.

*Status: Signed by the Governor.*

**AB 1023 (Mazzoni) Teacher Computer Literacy.** Requires prospective teachers to demonstrate basic competency in the use of computers in the classroom and veteran teachers to study advanced computer-based education techniques.

*Status: Signed by the Governor.*

**AB 1024 (Davis) Credentialing and Curriculum.** Requires the Commission on Teacher Credentialing to adopt regulations that provide for the acquisition of significant preparation in teaching dance or theater by holders of single subject teaching credentials.

*Status: Vetoed by the Governor.*

**AB 1086 (Mazzoni) Teacher Training for Reading Instruction.** Last year, in an attempt to improve primary grade reading instruction, the State appropriated \$13 million to train K-3 teachers in phonics-based reading instruction. AB 1086 allows future funds to be allocated for the same purpose and extends the training for teachers of grades 4-8

*Status: Signed by the Governor.*

**AB 1106 (Knox) Middle College High Schools.** Requires continued support for middle college high schools which focus on college and career preparation, small classes, flexible class scheduling to accommodate student work schedules, interaction with community college students, and opportunities for internships, work apprenticeships, and community service to enhance the academic success of at-risk students. Seventy-one percent of middle college graduates go on to college compared to the statewide average of 53%. This program is also highly successful in reducing the dropout rate.

*Status: Signed by the Governor.*

**AB 1162 (Havice) Reading Instruction.** Establishes the Reading and Writing Enrichment Program (RWEP) to prevent pupils from dropping out of school by increasing direct individual instruction in reading and writing.

*Status: Held in Senate Appropriations.*

**AB 1216 (Kaloogian) Parental Rights.** Establishes the Education Empowerment Act of 1998 which provides for public access to instructional materials and programs and creates certain individual rights of teachers, parents and pupils.

*Status: Signed by the Governor.*

**AB 1266 (Mazzoni) Beginning Teacher Support and Assessment.** Expands the Beginning Teacher Support and Assessment Program (BTSA) to serve about 15% of beginning teachers statewide in 1997-98. The BTSA program has been proven to increase teacher quality, save costs by retaining new teachers, retain minority teachers and teachers in urban schools, and result in teachers with high career satisfaction.

*Status: Signed by the Governor.*

**AB 1292 (Migden) College Preparation.** Creates a grant program for schools that have college participation rates below the state average to do the following: a) improve pupils' scores on college admissions exams, b) increase the number and percentage of pupils who complete A-F course prerequisites for admission to CSU and UC with at least a "C" grade, c) increase the college participation rate, and d) increase the number and percentage of students that enroll in and receive a score of "3" or above on advanced placement exams.  
*Status: Signed by the Governor.*

**AB 1321 (Alquist) Summer Math Pilot Program.** Establishes a pilot program to develop a model for teaching math to pupils experiencing difficulties and provides local teachers an intensive summer school program for the purpose of improving math instruction. For several years, there have been growing concerns about the mathematics achievement of California's K-12 students. In the recently released *National Assessment of Educational Progress (NAEP) 1996 Mathematics Report Card for the Nation and the States*, California fourth graders scored below fourth graders from all other states who participated, except Louisiana and Mississippi.  
*Status: Vetoed by the Governor.*

**AB 1331 (Alquist) Math Staff Development.** Creates the Teacher Mathematics Instruction Development Program for the purpose of funding school district in-service training programs, for certified teachers in grades 4 to 8, in mathematics instruction consistent with the district's mathematics curriculum.  
*Status: Signed by the Governor.*

**AB 1339 (Knox) Education Technology Training.** Establishes the Education Technology Staff Development Program to provide funds to school districts for in-service training in the use of educational technology for schoolsite administrators, instructional classified employees and teachers that provide instruction in grades 4 to 8.  
*Status: Signed by the Governor.*

**AB 1428 (Ortiz), AB 2284 (Torlakson) and SB 1756 (Lockyer) After School Programs.** Creates the After School Learning and Safe Neighborhoods Partnerships Program for the purpose of establishing after school partnerships at elementary, middle and junior high schools. The purpose of the after school programs will be to offer a safe environment where students will benefit from educational enrichment, tutoring, homework assistance and recreational activities (over 60,000 students, kindergarten through ninth grade, could be served through this effort).  
*Status: Signed by the Governor.*

**AB 1453 (Cardenas) Increase School's Share of State Lottery Revenues.** Provides that 50% of any increase beyond the 34% of Lottery revenues as calculated for the 1997-98 fiscal year, and currently given to K-12, will be allocated to the schools for the sole purchase of

instructional materials such as textbooks. This bill would take effect upon approval by the voters.

*Status: Signed by the Governor.*

**AB 1578 (Migden) Education Fiscal Provisions.** Main education trailer bill which appropriates \$142 million for various education initiatives, including:

- \$50 million for education technology (see AB 64-Baca);
- \$25 million to provide loan funds for child care facilities that were displaced as a result of class-size reduction;
- \$10 million for child care facility grants in community college districts, providing priority for serving CalWORKs eligible students; and
- \$25 million for adult education services for CalWORKs recipients.

*Status: Signed by the Governor.*

**AB 1579 (Strom-Martin) Longer School Year/Staff Development Buy-out Program.**

Provides schools a financial incentive to offer staff “in-service” days outside of the regular school year, such as during scheduled breaks or recesses, in order to ensure that pupils receive a full 180 days of instruction while teachers have an opportunity for continued training.

*Status: Signed by the Governor.*

**AB 1610 (Ortiz) Background Checks for School Employees.** Prohibits school districts from employing people who have not had their fingerprints submitted to the Department of Justice for a criminal background check to increase school safety. Once a planned new electronic fingerprinting system is in place, DOJ must respond within three days.

*Status: Signed by the Governor.*

**AB 1626 (Wayne) Social Promotion.** Requires all school districts to adopt promotion and retention policies that require students to demonstrate basic proficiency in certain subjects and certain grades before they progress to the next grade. Stipulates that pupils shall be retained unless retention is “not the appropriate intervention” or if the pupil participates in summer school or interim session remediation programs. Requires parental notification and consultation with the teacher and principal before any final determination regarding retention can be made.

*Status: Signed by the Governor.*

**AB 1639 (Sweeney), SB 1370 (Polanco) Remediation.** Requires school districts to offer supplemental instruction programs to pupils who have been retained. The bill specifies that supplemental educational services shall be offered during the summer, after school or on Saturdays. SB 1370 funds the program.

*Status: Signed by the Governor.*

**AB 1665 (Torlakson) Parental Rights.** Expands current law regarding the rights and responsibilities of parents and guardians of pupils enrolled in public school.  
*Status: Signed by the Governor.*

**AB 1756 (Havice) Community Policing.** Establishes a three-year grant program for school districts to implement community policing programs to address juvenile crime and safety issues on school campuses. Community policing programs involve cooperative relationships between the community, schools and local law enforcement.  
*Status: Signed by the Governor.*

**AB 1761 (Sweeney) Education Technology.** Requires the State Department of Education to establish the California Technology Assistance Project (CTAP) to administer a regionalized network of technical assistance to schools and school districts on the implementation of education technology. Provides that CTAP shall be composed of regional consortia that will work collaboratively with school districts and county offices of education to meet locally defined technology-based needs. Provides for the State Board of Education to award grants, of up to three years, to school districts and county offices of education in each region to act as the lead agency.  
*Status: Signed by the Governor.*

**AB 1763 (Mazzoni) Testing.** Requires that data from the statewide test be disaggregated to reflect a pupil's economic disadvantage, gender and type of district in order to provide information on the progress of these groups of students.  
*Status: Signed by the Governor.*

**AB 1815 (Migden) Testing.** Allows school districts to exempt children not fluent in English from taking the statewide test, the STAR, which is in English. Requires districts that take advantage of this option to still assess children not fluent in English regarding their academic progress.  
*Status: Vetoed by the Governor.*

**AB 1845 (Honda) Community Day Schools.** Increases the amount of funding that districts receive to operate community day schools, and authorizes county offices of education to operate them too. Under current law, community day schools are run by school districts and generally serve expelled students or students on probation.  
*Status: Signed by the Governor.*

**AB 2041 (Bustamante) Instructional Materials.** Creates and funds at \$1 billion over four years the Schiff/Bustamante Standards-Based Instructional Materials Program in order to ensure that pupils in all grades are provided with instructional materials in the core curriculum areas of language arts, mathematics, history/social science and science. The bill specifies that materials are to be aligned with state content standards as adopted by the State Board of Education.  
*Status: Signed by the Governor.*

**AB 2442 (Mazzoni) Math Staff Development.** Provides funding to school districts and county offices of education to pay for the costs of sending teachers to institutions of higher education to take math courses.

*Status: Signed by the Governor.*

**AB 2536 (Poochigian) State Summer School for Mathematics and Science.** Creates the California State Summer School for Mathematics and Science (CSSSMS) to provide a four to six week program for multidisciplinary mathematics and science training for gifted and talented pupils that have demonstrated excellence in these subjects.

*Status: Signed by the Governor.*

**AB 2620 (Davis) Preschool Programs for English Learners.** Requires the State Department of Education to survey existing state preschool and child care programs in California that serve limited and non-English speaking children of three and four years of age. Requires SDE to identify methods to prepare these children to master English in elementary school and report its findings to the Legislature by January 1, 2000.

*Status: Vetoed by the Governor.*

**SB 12 (O'Connell) Ninth Grade Class Size Reduction.** Provides \$135 per unit of full time equivalent enrollment per school for up to two 9th grade classes in English, mathematics, science, and social studies which are required for graduation.

*Status: Signed by the Governor.*



**SB 50 (Greene & Villaraigosa) Education: Leroy F. Greene School Facilities Act of 1998: Class Size Reduction Kindergarten-University.** Upon approval of the voters, SB 50 will provide a \$9.2 billion school bond – the largest in California’s history – for desperately needed school facilities. Appropriates \$6.7 billion for K-12 facilities and \$2.5 billion for higher education. This four-year bond will provide \$2.9 billion for new construction to provide facilities for the 100,000 new students entering each year, \$2.1 billion for the modernization of aging school buildings, and \$700 million for new classrooms for class-size reduction.  
*Status: Signed by the Governor.*

**SB 376 (Alpert) Testing.** Requires standardized tests for second to 11th grades. Allows limited English-speaking students to be tested in their own language during the first year and requires reporting by grade level, school and district. The test will be recommended by the Superintendent of Public Instruction and selected by the Board of Education.  
*Status: Signed by the Governor.*

**SB 674 (Thompson) Five-Year Limit on Emergency Teaching Permits.** Requires teachers with an emergency permit to be fully credentialed within five years in order to improve the quality of new teachers in the public schools.  
*Status: Signed by the Governor.*

**SB 727 (Rosenthal) Eliminating Excused Absences.** Simplifies district paperwork and provides an incentive for schools to improve student attendance by ending the current state practice of reimbursing districts for days that students are absent from school for specified reasons. However, it adjusts funding formulas so that districts do not lose funding as a result.  
*Status: Signed by the Governor.*

**SB 804 (O’Connell) Class Size Reduction Program.** Fully funds class size reduction by increasing per pupil funding from \$650 to \$800, and also expands the program from kindergarten through second grade to add third grade. In 1996, in order to comply with the class size reduction program, school districts had to come up with about \$150 a child from existing resources to hire the necessary teachers and provide the necessary classrooms. Establishes a facilities loan program which allows districts to borrow up to \$40,000 per classroom against the amount of unused operational funds.  
*Status: Signed by the Governor.*

**SB 1026 (Schiff) Teachers’ Retirement.** Increases the purchasing power of the State Teachers’ Retirement System from 68.2% of the original benefit to 75%.  
*Status: Signed by the Governor.*

**SB 1095 (Lockyer) High-Risk Youth Education and Public Safety Program.** Enhances services to juveniles who have committed crimes and are at highest risk of becoming repeat offenders to prevent them from eventually ending up in the prison system as adults. Establishes a new grant program to target resources and services to high-risk, first-time juvenile offenders and juveniles transitioning from juvenile ranches and camps back into the community.

*Status: Signed by the Governor.*

**SB 1193 (Peace) Longer Instructional Year.** Requires an 180 day school year by repealing statutes that allow schools to conduct staff development in lieu of instruction (i.e., called “pupil-free days”) for up to eight days per year and, instead, provides school districts incentive funding to offer three staff development days for teachers and one staff development day for classroom instructional employees outside the 180 days of instruction.

*Status: Signed by the Governor.*

***The following bills failed to pass the Committee.***

**AB 25 (Pringle) Opportunity Scholarships.** Provides publicly-funded “opportunity scholarships” – or vouchers – to low-income students, to allow them to attend any public or private school of their choice. Defeated because of concerns that it would provide public resources to private and religious schools. More importantly, it would do nothing to prevent private schools from taking only the best students and rejecting poor-performing students, while still accepting public funds.

**AB 814 (Baldwin) Scholarships for Low-Performing Pupils.** Provides publicly funded “opportunity scholarships” – vouchers – to low-performing students, to allow them to attend any public or private school of their choice. Defeated for reasons similar to AB 25.

**AB 859 (Pringle) Untrained Volunteers.** Allows school district governing boards to permit any person to serve as an unpaid volunteer for any capital maintenance project in a school district or to perform duties that would otherwise be performed by classified employees. The Assembly Education Committee decided against approving this measure due to concerns that services or projects done improperly could jeopardize student safety.

**AB 1674 (Pringle) Opportunity Grant Vouchers.** States findings and declarations regarding alternatives to low-achieving public schools, and legislative intent to permit a student attending a low-achieving public school to be eligible for alternative enrollment opportunities through the award of “opportunity scholarships” – vouchers.

**AB 1901 (Leonard) Governor’s Initiative: The Permanent Class Size Reduction and Educational Opportunities Act of 1998.** Upon approval by the voters, would establish the Office of the Chief Inspector of Public Schools and specify the responsibilities of the Chief Inspector of Public Schools with regard to the inspection of each public elementary and secondary school in the state.

## Elections, Reapportionment & Constitutional Amendments

Assembly Democrats believe that one of the primary responsibilities of the Legislature is to ensure that everybody who is eligible to vote is able and encouraged to participate. They are committed to seeing that greater protection is provided for voters in order to safeguard the fundamental right to vote, including distributing voter registration materials to each 12th grade pupil at the beginning of the school year.

This session, under the leadership of its chair, Assemblyman Edward Vincent, the Assembly Elections, Reapportionment and Constitutional Amendments Committee passed several key bills geared toward achieving the Assembly Democrats' top priorities. In addition, the Committee continued to strengthen the Political Reform Act of 1974 by, among other things, expanding the conflict of interest provisions of the act and ensuring ethics training for lobbyists and state agency employees. The Committee also continued to strengthen laws regarding illegal contributions and loans made to political candidates.

Just as important as the good bills that the Committee passed are the "bad" bills that it stopped. These included efforts that would have forced voters to carry various documents to prove their place of residence, posting signs intended to discourage certain voters from voting, and requiring candidates to submit the results of a drug test taken within 30 days of filing for office.

Key bills passed by the Assembly this session include:

**AB 44 (Murray) Digital Electoral System.** Requires the Secretary of State, by March 1, 1999, to study the development of a system that uses electronically generated and transmitted digital messages that would enable people to register to vote, sign petitions, vote, and cast absentee ballots through their computers.

*Status: Vetoed by the Governor.*

**AB 188 (Murray) Elections: Ballot Measures: Trust Obligations.** Prohibits campaign funds from being used to support or oppose a petition or qualified ballot measure other than the petition or qualified ballot measure for which the funds were solicited.

*Status: Vetoed by the Governor.*

**AB 627 (Scott) Public Officials: Personal Loans.** Prohibits a state or local elected official from receiving a personal loan of \$250 or more from any officer, employee, member, consultant, or contractor of the elected official's state or local agency. It also prohibits a state or local elected official from receiving a personal loan of \$500 or more from other sources unless all the terms of the loan, including repayment date and interest rate, are in writing.

*Status: Signed by the Governor.*

**AB 834 (Aroner) Special Election: Consolidation.** Permits a special election in the 9<sup>th</sup> Senate District to be held and consolidated with the November 3, 1998, statewide general election. This bill saves the taxpayers approximately \$800,000 by avoiding the costs of a stand-alone special election to fill this state Senate vacancy.

*Status: Signed by the Governor.*

**AB 837 (Thomson) Lobbyist Certification: Ethics Training.** Revises procedures for lobbyist certification by requiring the lobbyist to complete a required ethics orientation course within the previous 12 months.

*Status: Signed by the Governor.*

**AB 938 (Vincent) Fair Political Practices Commission: Administrative Actions.** Allows the Commission to impose monetary penalties or to seek other remedies up to five years after the date on which the violation occurred.

*Status: Signed by the Governor.*

**AB 1233 (Leach) Campaign Materials: Photo or Picture: Superimposed Image.** Prohibits a person from producing or distributing, with actual malice, campaign material that contains a photo or picture into which the image of a candidate has been superimposed, or that contains a picture or photo of a candidate into which the image of a third person is superimposed, unless a specified disclaimer is included in the campaign material.

*Status: Signed by the Governor.*

**AB 1685 (Hertzberg) Local Elections: Districts.** Requires cities and counties, in the drawing of district boundaries during redistricting, to follow the boundaries of existing cities and communities of interest to the extent possible, without violating other applicable state and federal law. This allows for preservation of cities and communities of interest within district boundaries in the drawing of local electoral districts.

*Status: Vetoed by the Governor.*

**AB 1864 (Papan) Political Reform Act of 1984: Campaign Disclosure: Conflicts of Interest.** States legislative findings and declarations regarding the need to revise certain monetary limits applicable to reporting requirements and revise standards of liability for consultants in order to further the purposes of the Act. Deletes the Proposition 208 "aiding and abetting" statute and instead reenacts the pre-Proposition 208 statute and codifies the existing regulation. Permits the filing of campaign contributions with the Secretary of State by fax. Allows the civil prosecutor 60 days, instead of 40, to evaluate a complaint and respond to a request to institute a civil action. Increases the monetary thresholds applicable to various campaign and conflict of interest provisions of the Act.

*Status: Vetoed by the Governor.*

**AB 2179 (Thomson) State Agencies: Ethics Orientation.** Requires state agency directors, general counsels, agency elected officials, high-level executive officers, and certain other officers and employees, to attend an ethics training course designed for that agency.

*Status: Signed by the Governor.*

**SB 49 (Karnette) On-Line Filing Disclosure.** Requires the Secretary of State to develop a process for the electronic filing of campaign statements and reports by candidates, elected officials, lobbyists, committees, and others required to file reports by the Political Reform Act of 1974. This on-line filing process must make the electronically filed data available for public access on the Internet free of any charge.

*Status: Signed by the Governor.*

**SB 109 (Kopp) Initiative Campaigns: Foreign Contributions.** Prohibits a foreign government, or its representative, from making any contribution, expenditure, or independent expenditure, to support or oppose a state or local initiative, recall, or referendum.

*Status: Signed by the Governor.*

**SB 269 (Karnette) Voter Registration Materials: Students.** Requires that voter registration materials be distributed to each 12th grade pupil at the beginning of the school year.

*Status: Vetoed by the Governor.*

**SB 489 (Alpert) Public Records: Confidential Information: Domestic Violence Victims.**

Permits any person who files a new affidavit or voter registration or re-registration to have the address and telephone number appearing on the affidavit, or any list or roster prepared therefrom, declared confidential upon presentation of certification that the person is a participant in an address-confidentiality program for victims of domestic violence administered by the Secretary of State.

*Status: Signed by the Governor.*

**SB 561 (Burton) Slate Mailers Recommendations: Notice.** Provides that, if a slate mailer makes a recommendation to support a candidate or to support or oppose a ballot measure different than the recommendation of the political party that the slate mailer appears to represent, then the slate mailer must contain the following statement: "THIS IS NOT THE OFFICIAL POSITION OF THE \_\_\_\_ PARTY."

*Status: Vetoed by Governor.*

**SB 627 (Karnette) Elections: Counting Votes: Procedures.** Permits an elector, who claims to have registered to vote under federal law, to bring an action to compel his or her registration as a voter. Revises procedures for absentee ballot processing. Requires logic and accuracy testing of vote-tabulating devices. Requires the adoption of semi-official canvass and official canvass procedures approved by the Secretary of State and that those procedures are made public. Revises procedures governing the processing of absentee ballots.

*Status: Signed by the Governor.*

**SB 949 (Schiff) Contributions to Candidates and Public Officials.** Prohibits a public official, who is a candidate for a public office, from increasing or offering to increase the salary of an employee of a state or local agency in exchange for a contribution or loan to his or her campaign committee. It also imposes criminal penalties for violations.

*Status: Signed by the Governor.*

**SB 1077 (Schiff) Voter Registration Assistance by Paid Workers.** Requires that persons or organizations paying others to assist voters to register must identify affidavits when submitting them to the county elections official and when those affidavits do not comply with legal requirements. It also requires that the county elections official notify the person or company when three or more affidavits of registration do not comply with legal requirements and permits the elections official to forward copies of the non-complying affidavits to the district attorney.

*Status: Signed by the Governor.*

**SB 1271 (Kopp) Voter Registration Information: Confidentiality.** Permits a voter to inform the county elections official that he or she has reasonable cause to believe that somebody is stalking or threatening him or her. The information provided the voter would remain confidential unless a court ordered its release.

*Status: Vetoed by the Governor.*

**SB 1505 (Lewis) Presidential Primary.** Amends the open primary act to allow the use of partisan ballots for the selection of delegates to presidential nominating conventions of political parties. Restricts the use of each partisan presidential primary ballot to members of the particular political party. Requires approval of these changes by the voters at an election to be held and consolidated with the November 3, 1998 statewide general election.

*Status: Signed by the Governor.*

**SB 1737 (McPherson) Bipartisan Commission on the Political Reform Act of 1974.**

Creates a bipartisan commission to assess the effect of the Political Reform Act of 1974 on candidates, voters, public officials, and public employees, among others.

*Status: Signed by the Governor.*

**SB 1753 (Schiff) Conflict of Interest: Public Retirement System Governing Boards.**

Imposes various conflict of interest regulations on the governing boards of the Public Employees Retirement System and the State Teachers Retirement System.

*Status: Signed by the Governor.*

**SB 1875 (Hayden) Metropolitan Water District of Southern California: Ethics**

**Regulations.** Requires the district to establish an Office of Ethics and to adopt rules on internal disclosure, lobbying, conflicts of interest, contracts, campaign contributions, and ethics applicable to board members, officers, and employees.

*Status: Vetoed by the Governor.*

**SB 1979 (Schiff) Petitions: Paid Signature Gatherers.** Requires that a petition which is circulated for signatures by a paid signature gatherer contain a statement in 12-point type indicating that the individual is paid to collect signatures. Requires that the name of a committee or controlled committee, and address thereof, be printed on the petition.

*Status: Vetoed by the Governor.*

**SB 1999 (Costa) Presidential Primaries.** Requires the presidential primary, held every 4 years, to be held on the first Tuesday in March. Requires the statewide direct primary, held every 2 years, to be held on that same date and consolidated with the presidential primary every 4th year.

*Status: Signed by the Governor.*

*The following bills failed to pass the Committee.*

**AB 383 (Ackerman) Voter Identification.** Requires a voter to present proof of identity and residency to a precinct board member prior to receiving a ballot.



**AB 414 (Goldsmith) Voter Registration: Proof of Permanent Residence.** Creates onerous requirements for a person to prove through various documents, that he or she lives in the residence used for voter registration in another effort to deter new citizens from voting.

**AB 430 (Baldwin) Election Day Procedures: Polling Places: Signs.** Requires the elections official to post signs in conspicuous locations at the polling place, stating the legal qualifications for voting. It would also have required that the signs be posted in as many non-English languages as determined by the elections official. Provides a chilling effect on new citizens and minorities desiring to vote.

**AB 1007 (Kaloogian) Candidates for State Offices: Drug Test.** Requires a candidate for Governor, Lieutenant Governor, Attorney General, Controller, Secretary of State, Treasurer, State Board of Equalization, Superintendent of Public Instruction, Insurance Commissioner, Senator, or Assemblymember to submit the results of a drug test taken within 30 days of the filing of nomination documents.

**AB 1348 (Kaloogian) Legislative Committee Witnesses: Disclosure.** Requires witnesses before legislative committees who submit written statements to disclose information on any state grants or contracts received within two fiscal years prior to his or her testimony. Requires expungement of all the witness' testimony if he or she fails to make the required disclosure.

## Environmental Safety and Toxic Materials

Assembly Democrats took aim during the 1997-98 legislative session at protecting the most basic of human health needs: the safety of the water we drink, the air we breathe, the food we eat and the soil in which we grow our food.

Under the leadership of the Committee Chair, Assemblyman Howard Wayne, the Environmental Safety and Toxic Materials Committee objectives were to ensure protection of public health and the environment and to streamline and refine regulatory programs, where possible, without impairing the environment. This general focus is based on the following principles:

- Environmental protection does not come at the expense of a healthy economy. Rather, a strong economy is compatible with, and complimentary to, strong environmental protections. Businesses are attracted to California because of, not in spite of, our quality of life.
- The public supports environmental protection and is distrustful of agendas to dismantle the programs that have been steadily built up over the last 20 years.

**This session the Assembly Democrats made considerable progress in the effort to prevent contamination of our drinking water, air, food and soil and to ensure a safe and healthy environment for all Californians.**

The Environmental Safety and Toxic Materials Committee approved a number of important pro-active legislative initiatives to improve the quality of our air and water. Key issues this session include the protection of coastal and other surface waters from “non-point” sources of pollution, the cleanup of contaminated and blighted properties in urban areas (called “brownfields”), and the protection of infants and children who are often uniquely sensitive to toxins and other environmental hazards.

In addition, the Committee successfully turned back several efforts aimed at undermining the strong environmental protections in existing law. The Committee also accomplished the challenging task of streamlining and refining regulatory programs – without impairing environmental protections.

Some of the key bills passed by the Assembly this session include:

**AB 278 (Escutia) Environmental Protection: Children.** Enacts provisions intended to protect children from environmental health hazards. Specifies the intent of the Legislature that (a) the state’s air quality standards and airborne toxic control measures should be reviewed to determine if they adequately protect the health of infants and children, and (b) standards and measures should be revised if they are determined to be inadequate.

*Status: Vetoed by the Governor.*

**AB 335 (Wayne) Collection of Administrative Penalties.** Allows the Department of Toxic Substances Control (DTSC) to more easily collect monetary penalties levied as part of enforcement actions. Eliminates the requirement in existing law for DTSC to file separate and additional civil lawsuits to collect fines imposed by administrative orders.

*Status: Signed by the Governor.*

**AB 411 (Wayne) Beach Safety.** While recent studies have documented high rates of illness experienced by people swimming near storm drains, existing programs to monitor beach water quality are an inconsistent and incomplete patchwork. This bill establishes uniform requirements for regular monitoring of coastal waters for bacterial contamination and enacts requirements to establish statewide, health-based standards for bacterial contaminants. Requires health officers to protect and inform the public when waters at public beaches pose a health hazard.

*Status: Signed by the Governor.*

**AB 592 (Kuehl), SB 1189 (Hayden) and SB 521 (Mountjoy) MTBE Tanks and Pipelines.**

Recently, MTBE, an additive to gasoline, has been discovered to be leaking from underground gasoline tanks and pipelines, resulting in contamination of groundwater. This package of bills requires the state fire marshal to determine the location of petroleum pipelines near drinking water wells, requires pipeline operators to prepare pipeline wellhead protection plans, authorizes the expenditure of up to \$5 million annually to treat or replace contaminated drinking water, and requires the setting of a drinking water standard for MTBE and other gasoline additives. It also requires a recommendation by a scientific panel by 1/1/99 as to whether MTBE should be listed as a carcinogen and requires a UC study on the health and environmental risks of the continued use of MTBE. Additionally, they remove any liability from water districts for the clean up of MTBE-contaminated soil caused by another party.

*Status: All three bills Signed by the Governor.*

**AB 847 (Wayne) Hazardous Wastes.** Requires hazardous wastes and materials removed from major appliances to be managed in compliance with the hazardous waste control laws.

*Status: Signed by the Governor.*

**AB 871 (Wayne) Brownfields Cleanup.** Facilitates the cleanup of contaminated properties by redevelopment agencies. Enhances and reauthorizes existing law allowing redevelopment agencies to compel responsible parties to cleanup sites that are contaminated with hazardous waste.

*Status: Signed by the Governor.*

**AB 921 (Wayne) Recycled Drinking Water.** Prohibits the Department of Health Services from allowing a public water system to use reclaimed or recycled water as a source of drinking water unless it can be demonstrated that the water is safe and will not pose a threat to public health. Requires at least three public hearings to be held in the area where the recycled water is proposed to be used.

*Status: Signed by the Governor.*

**AB 1157 (Wayne) Hazardous Waste Variances.** Ensures that communities are informed of hazardous waste operations that have requested and are about to receive variances from hazardous waste permitting, storage, treatment, transportation or other requirements. If members of affected communities are informed about pending variances, it gives them the opportunity to comment on conditions that are placed on their issuance. Gives concerned citizens greater confidence that the issuance of a variance would not compromise protection of public health, safety or the environment.

*Status: Vetoed by the Governor.*

**AB 1429 (Shelley) Coastal Water Quality Monitoring.** Requires the State Water Resources Control Board to propose a comprehensive statewide program to monitor coastal watersheds for chemical, bacterial and metal contaminants. A 1997 report released by the State Resources Agency found the states existing coastal water quality monitoring inadequate and incomplete, hindering the state's ability to make sound water quality management decisions.

*Status: Signed by the Governor.*

**AB 1479 (Sweeney) Bay Toxics "Hot Spots" Program.** Revises and extends the Bay Protection and Toxic Cleanup Program, first enacted in 1989, to identify and rank the most hazardous "hot spots" of toxic contamination in the state's bays and estuaries. Valuable monitoring information has been gathered under the program, and it is necessary to continue these activities to fully evaluate and make recommendations for remedying the worst toxic hot spots.

*Status: Vetoed by the Governor.*

**AB 1909 (Wayne) Specialized Financing for Brownfields Cleanups.** Authorizes the California Pollution Control Financing Authority to use its financing tools in coordination with private lenders to finance the cleanup of property that is contaminated with hazardous waste. Authorizes the Financing Authority's capital access program to issue loans to qualified small businesses for hazardous waste cleanup.

*Status: Signed by the Governor.*

**AB 1948 (Shelley) School Pesticides Right to Know.** Gives children and parents the information needed to avoid exposure to pesticides in schools and day care centers. Specifically, schools would be required to notify parents annually about the planned use of pesticides in the upcoming year and to provide prior notification of specific pesticide applications upon request. In addition, all schools and day care centers would be required to post warning signs for 24 hours after a pesticide application.

*Status: Held in the Senate Appropriations Committee.*

**AB 2019 (Kuehl) Storm Water Discharge Enforcement.** Provides structure and incentives to ensure that businesses discharging storm water into surface water bodies comply with permitting and other regulatory requirements. In recent years, diffuse "non-point" sources, including storm water run off, have emerged as major contributors to the degraded water quality of our lakes, rivers and coastal waters. Helps end the rampant non-compliance with programs designed to curb this pollution.

*Status: Signed by the Governor.*

**AB 2192 (Kuehl) Safe Transportation of Radioactive Waste.** Establishes statewide safety regulations for the transportation of high-level radioactive waste and spent nuclear fuel including mandated safety inspections, testing of transporting casks, electronic tracking and specialized emergency response training. Introduces in response to the recent increase in transportation of these wastes across the state.

*Status: Vetoed by the Governor.*

**AB 2231 (Aroner) Health Hazard Warnings at Popular Fishing Sites.** Requires that any fish consumption advisories issued by the Office of Environmental Health Hazard Assessment must contain information concerning the contamination hazards posed by fish and shellfish relevant to that advisory. Requires the State Department of Health Services, to the extent that funds are available, to coordinate with county health departments to post multilingual fish consumption advisories so that people fishing can have accurate information about the safety of the fish in the waterway.

*Status: Vetoed by the Governor.*

**AB 2339 (Sweeney) Bay Toxics “Hot Spots” program.** Revises and updates the Bay Toxic Cleanup Program, first enacted in 1989, to identify and rank the most hazardous “hot spots” of toxic contamination in the state’s bays and estuaries. Requires that the detailed bay protection and cleanup plans developed under the program be meaningfully implemented.

*Status: Vetoed by the Governor.*

**SB 660 (Sher) Hazardous Waste Fee Reform.** Provides for the first time since the state Superfund program was enacted, a long-term stable source of funding for toxic cleanup.

*Status: Signed by the Governor.*

**SB 1033 (Sher) Perchlorate Drinking Water Standard.** Requires the Department of Health Services to adopt an enforceable contamination limit for perchlorate in drinking water. Perchlorate, a salt used in the manufacture of rocket propellants, munitions and fireworks, has been found in drinking water wells throughout California where these types of products have been manufactured and tested. Perchlorate can interfere with the functioning of the thyroid gland and, at very high levels, cause brain damage in fetuses and a dangerous form of anemia in adults.

*Status: Vetoed by the Governor.*

**SB 1161 (Costa) Pesticide Mill Assessment Reauthorization.** Reauthorizes the assessment on pesticide sales for an additional five years. A significant portion of the state’s program to regulate and control pesticides is funded by this assessment, which was cut by more than half on July 1, 1997. Allows the existing pesticide regulatory program to continue at existing funding levels until the year 2003. Reflects a compromise negotiated between environmental and farm worker interests and agrichemical interests.

*Status: Signed by the Governor.*

**SB 1916 (Sher) Hazardous Waste Pollution Prevention.** Creates a set of programs and activities administered by the Department of Toxic Substances Control to assist businesses by providing technical information and resources to allow the voluntary reduction of hazardous waste generated. Studies have demonstrated that pollution prevention is cost-effective for businesses, in addition to improving environmental quality.

*Status: Signed by the Governor.*

**AB 851 (Bowen) State Superfund Reauthorization.** Reauthorizes and accomplishes significant reforms to the state Superfund program for the cleanup of toxic contamination.

Ensures the continuation of the state's efforts to swiftly and efficiently accomplish toxic cleanups. Without this legislation, the Superfund program will expire in 1999.

*Status: Failed passage in the Senate.*

**SB 2198 (Sher) Funding for Cleanup of MTBE-Contaminated Water Systems.** Makes funds available to public water systems to cleanup MTBE contamination of public water supplies. MTBE, a chemical added to gasoline to improve air quality, is unfortunately highly soluble in water and has extensively contaminated drinking water wells and aquifers. The bill prohibits the Air Resources Board from adopting any regulation that requires the addition of an oxygenate to motor vehicles, unless the regulation is subject to a rulemaking process involving agencies that regulate a variety of environmental areas, including air, water and public health.

*Status: Signed by the Governor.*

***This bill failed to pass the Committee:***

**SB 442 (Brulte) Sensitive Subgroups Guidelines.** Competes with the Children's Environmental Health Protection Act introduced last year (AB 278, Escutia). In contrast to AB 278, which requires that specific air and water quality standards be set at levels that ensured the protection of infants and children, SB 442 simply required general guidelines to be developed to protect children's health. SB 442 did not require that any agency actually use the guidelines to set or revise environmental standards.

## Governmental Organization

Assembly Democrats took active steps in 1997-98 session to make government programs more efficient and responsive to those they serve, as well as to effectively regulate major industry sectors of the California economy.

Under the strong guidance of its chair, Assemblywoman Valerie Brown, the Assembly Governmental Organization (G.O.) Committee reviewed legislation affecting gaming (horse racing, card clubs, Indian gaming, California State Lottery), alcohol, tobacco products, open meetings and public records laws, veterans, emergency services and fire safety, athletics, the state military, offices of state constitutional officers (Governor, Lieutenant Governor, State Controller, and State Treasurer), and state official acts.

### ***Tobacco: Reducing Teen Smoking***

Grave concerns about the adverse effects of tobacco consumption on an individual's health and the high incidence of smoking among teenagers have made tobacco-related issues potent public policy questions for the state. Although the Committee did not review many tobacco-related bills, the bulk of the proposals in this area considered by the Committee are intended to reduce the incidence of smoking among California's youth. Key tobacco-related proposals approved by the Assembly this year include:

**AB 734 (Brown) STAKE Act Funding.** Continues the current funding arrangement for Stop Tobacco Access to Kids Enforcement (STAKE) Act to support the enforcement of laws limiting minors' access to tobacco products.

*Status: Signed by the Governor.*

**AB 752 (Migden) Tobacco Billboard Advertising.** Prohibits billboard advertising of tobacco products within 1,000 feet of schools and public playgrounds and allows local governments to impose more restrictive tobacco billboard advertising or ban tobacco billboards altogether.

*Status: Signed by the Governor.*

**ACR 4 (Perata) Discontinuation of "Joe Camel" Ads.** This resolution notes the deceptive use of the "Joe Camel" character to market tobacco products and cigarettes, particularly to young people. The resolution states the Legislature's opposition to the marketing and promotion of tobacco products to minors. The resolution also concurs with the Federal Trade Commission's decision to seek an order requiring R.J. Reynolds Tobacco Company to conduct 10 years of anti-smoking education for teenagers and supply data on teenage consumption for each of the company's cigarette brands.

*Status: Signed by the Governor.*



## ***Alcohol: Making Enforcement a Priority***

There are currently more than 71,200 alcoholic beverage licenses throughout the state, with approximately 67,000 of those serving as retail outlets. From an economic perspective, the alcohol industry also makes significant contributions to the California economy, both in terms of employment and in the collection of excise taxes.

The state's economic downturn in the early 1990's prompted the Legislature in 1992 to convert the Department of Alcoholic Beverage Control (ABC) from a General Fund agency to a Special Fund Agency, supported by license fees imposed upon the three-tiers of the alcohol industry: manufacturers, wholesalers/distributors, and retailers. Unfortunately, this transition resulted in a measurable reduction in ABC enforcement actions, which has fueled concerns over alcohol-related problems in communities and neighborhoods and has led local governments to increasingly petition the Legislature for more local control. Enforcement efforts have also been compromised by a lack of resources, both at the state and local level. In fact, the ABC has less than 200 agents available to police the over 70,000 licenses in the state. (In a separate budget action, the Assembly was successful in augmenting the Governor's proposed budget for the ABC by adding 18 enforcement agents.) Key bills from the 1997-98 legislative session which were passed by the Assembly include:

**AB 783 (Brown) ABC/Local Law Enforcement Grants.** Establishes the Alcoholic Beverage Control Special Enforcement and Training Fund within the ABC to administer the ABC's Grant Assistance to Local Law Enforcement Program.

*Status: Vetoed by the Governor.*

**AB 849 (Sweeney) Off-Sale Beer and Wine License Restrictions.** Establishes a permanent population-to-license ratio which will restrict the issuance of new off-sale beer and wine licenses.

*Status: Signed by the Governor.*

**SB 609 (Karnette) ABC Hearing Requirements.** Requires the ABC to provide written notice to the affected city or county and, if requested by the local government, to conduct a public hearing when the ABC acts to remove or modify operating conditions previously imposed upon a licensee.

*Status: Signed by the Governor.*

**SB 805 (Alpert) Increased Penalties for Furnishing Alcoholic Beverages to Minors.** Increases the minimum penalty for individuals who furnish an alcoholic beverage to a minor.

*Status: Signed by the Governor.*

**HR 36 (Brown and Bordonaro) Condemning Direct Shipment of Wine Prohibitions by Other States.** Enacted in response to the action by several states prohibiting California wineries from making direct shipment of their products to that state's residents.

*Status: Adopted.*

## ***Veterans: Helping Those Who Served Their Country***

One of the responsibilities of the G.O. Committee is to oversee programs designed to assist California veterans. These programs range from providing residential and health services for veterans to loan assistance for farm and home purchases. The Committee has considered several proposals designed to make veteran services stronger and more accessible. Among the key veterans-related legislative measures approved by the Assembly are:

**AB 2725 (Cardoza) Veterans Home in the Central Valley.** Authorizes the Department of Veterans Affairs to establish and construct a third California Veterans Home to be located in the Central Valley.

*Status: Vetoed by the Governor.*

**SB 335 (Johannessen) Veterans Alzheimer's Study.** Requires the Department of Veterans Affairs to study the health care needs of residents of the Veterans' Home of California who are suffering from Alzheimer's disease. The bill requires that the study address proposed treatment methods for these veterans and the estimated cost to provide proper care.

*Status: Signed by the Governor.*

**SB 574 (Knight) Cal-Vet Loan Program Eligibility.** Makes peacetime veterans eligible to participate in the California Veterans Farm and Home Purchase (Cal-Vet) program. This program assists qualified veterans in purchasing farms and homes. Currently, only wartime veterans are eligible for the program.

*Status: Signed by the Governor.*

**SB 584 (O'Connell) Southern California Veterans Home Sites.** Determines the sites of the next three Veterans' Homes in Southern California, as recommended by the Governor's Commission on Southern California Veterans Home. The initial site, Barstow, is already in place. The bill states that the second site will be Chula Vista, the third site Lancaster, and the fourth site Ventura.

*Status: Signed by the Governor.*

## ***Public Records/Open Meetings: Making Government More Accessible***

The Governmental Organization Committee is charged with the responsibility of making sure that government agency meetings and records remain open and accessible to the public, without compromising privacy. The 1997/98 legislation approved by the Assembly is consistent with this mission. The bills include:

**AB 179 (Bowen) Access to Electronic Records.** Requires public agencies to provide public records in an electronic format used by the agency, if a member of the public requests records in that format. The bill allows the agency to charge for the direct cost of duplicating the electronic record.

*Status: Vetoed by the Governor.*

**AB 1601 (Shelley) and SB 1350 (Burton) Records Disclosure and Open Meetings**

**Requirements for Publicly Funded Hospital Corporations.** These identical bills establish records disclosure and open meetings requirements for hospital corporations created with the transfer of at least \$50 million in state assets. An example is the proposed merger of the UC San Francisco Medical Center and Stanford University Hospital. The bills ensure that these corporations continue to be accountable to the public despite their unique status (i.e., they are private entities but created partly with public funds).

*Status: Signed by the Governor.*

**SB 95 (Ayala) Meetings of State Bodies.** Makes meetings of state bodies as open and accessible to the public as meetings of legislative bodies of local agencies. For example, this bill requires state bodies to publicly report certain actions taken in closed sessions; prohibits a state body from censoring critical comments from the public; allows any person to record a public meeting; and prohibits state bodies from holding meetings in facilities that are inaccessible to disabled persons or require payment to gain entry.  
*Status: Signed by the Governor.*

**SB 448 (Sher) Disclosure of Utility Records.** Prohibits the release of the name, credit history, utility usage data, home address, or telephone number of utility customers of local public agencies.  
*Status: Signed by the Governor.*

### ***Fire Safety/Emergency Services: Making Children and Adults Safer***

Protecting Californians from fire hazards and ensuring that emergency services are delivered promptly to those in need are also part of the G.O. Committee's mission. This year, the Assembly approved legislation designed to strengthen the fire alarm systems in our public schools and improve 911-service delivery. These bills include:

**AB 267 (Lempert) Automatic Fire Alarms in Schools.** Allows public schools to receive state bond funding to install an automatic fire detection and alarm system.  
*Status: Vetoed by the Governor.*

**AB 2105 (Machado) Local Disaster Preparedness.** Provides funding to local government agencies in order to help them prepare for disasters and coordinate disaster response activities.  
*Status: Vetoed by the Governor.*

### ***Horse Racing: Helping an Ailing Industry***

The State of California is a major participant in the California horse racing industry. Over \$35 million in racing revenues is distributed annually throughout the state to the division of Fairs and Expositions for the benefit of the 81 County and Agricultural Fairs. The state General Fund additionally receives a portion of the amount wagered, which in 1996 amounted to nearly \$70 million. Furthermore, the California horse racing industry generates more than 50,000 jobs and \$3 billion annually in economic activity.

There have been several recent actions taken by the Legislature to support the horse racing industry's competitive position with respect to both other horse racing states and other forms of gambling permitted in California.

Up until this year, California's horse racing tax rate was considered to be the highest in the country, ostensibly placing the state's horse racing industry at a competitive disadvantage with other horse racing states. During the 1998 legislative session, the Legislature, the

Governor, the race track operators, and the pari-mutuel clerks agreed to put California's horse racing license fee rate generally on par with the rates in other key horse racing states such as New York, Kentucky, and Florida.

**AB 172 (Wright) Horse Racing License Fee Relief.** Grants the horse racing industry additional state license fee relief by reducing by one percent the license fee paid by the state on all wages made after January 1, 1998.

*Status: Held in the Senate.*

**AB 422 (Floyd) Horse Racing License Fee Relief.** Reduces by one percent the state license fees paid by thoroughbred racing associations and fairs on all wages made using licensed pari-mutuel clerks.

*Status: Held in the Senate.*

**SB 27 (Maddy) Horse Racing License Fee Relief.** Provides a substantive license fee relief (\$40 million) to the California horse racing industry.

*Status: Signed by the Governor.*

**SB 103 (Maddy) Marketing of the Horse Racing Industry.** Allows California's horsemen and women to financially participate in the National Thoroughbred Racing Association, an organization formed to promote the horse racing industry nationally.

*Status: Signed by the Governor.*

### ***Card Clubs: Regulating a Loosely Regulated Industry***

Card clubs have been a fixture in California since the birth of California. Today, California is considered the biggest card club state in the nation. In 1995, the state's 233 card clubs generated an estimated \$711 million in gross revenues. That year, an estimated \$8.5 billion was wagered in card clubs, representing over half of the total amount wagered in authorized gaming activities in the state.

Regulation of California's card clubs has been one of the biggest gaming policy issues tackled by the Legislature over the past few years. Up until this year, card clubs were primarily regulated by local jurisdictions. However, because these jurisdictions also typically rely on card clubs for revenues, critics have raised concerns about local jurisdictions' willingness to regulate the very industry that provides them with financial support. After several attempts to establish a statewide card club regulatory structure over the past four years failed, the Legislature finally enacted the Gambling Control Act in 1997. The key legislation in this area approved by the Committee during the 1997-98 session include:

**AB 518 (Brown) Card Club Fee Collection Methodology.** To address conflicting interpretation of the fee collection restrictions under current law, this bill clarifies the acceptable fee collection methodology for card clubs operating and licensed in the state.  
*Status: Signed by the Governor.*

**SB 8 (Lockyer) Gaming Regulation.** Creates a statewide comprehensive regulatory structure for card clubs in California. The bill also establishes a state licensing program, a fee structure, and a compulsive gambling assistance program.  
*Status: Signed by the Governor.*

### ***Indian Gaming: Facilitating a Tribal-State Gaming Compact***

Gaming has been viewed by many tribes as the only viable tool to help them lift themselves from poverty. Tribes point out that Indian gaming has created over 15,000 gaming jobs and over 25,000 jobs in related industries. In addition, Indian gaming is responsible for paying out over \$4.2 million in salaries annually, expending over \$7.6 million in vendor supplies, contributing over \$78,000 per month to charitable causes, and providing over \$71.2 million in construction expenditures.

Under the federal Indian Gaming Regulatory Act (IGRA) of 1988, Native American tribes may conduct what are considered Class III games (e.g., slot machines, blackjack, and other banking games) if the state allows the games and the gaming is conducted in accordance with a tribal-state compact. Although 35 tribes currently operate casinos in California, the state has never had a Class III gaming compact.

In March 1998, the Governor announced that he had signed a gaming compact with the Pala Band of Mission Indians. Since then, eight other tribes have signed or are in the process of signing a gaming compact with the state. However, these tribal-gaming compacts must be ratified by the legislature in order to be valid. Thus far, the Legislature has not ratified any of the compacts negotiated between the tribes and the Governor. Indian gaming legislation reviewed by G.O. Committee in 1997-98 include:

**SB 1067 (Polanco) Indian Gaming Compact Parameters.** Clarifies the type and scope of gaming allowed in Native American tribal lands in the state and may be included in a tribal-state gaming compact. Empowers, but not requires, the Governor to negotiate a compact with Native American gaming tribes. Moreover, the bill specifies which types of games could be offered in tribal casinos.  
*Status: Vetoed by the Governor.*

### ***California State Lottery: Providing More Funds to Public Education***

The California State Lottery was approved by the voters in 1984 to maximize the revenues generated for public education through the sale of lottery tickets. State Lottery revenues are divided as follows: 50% to be returned to the public in the form of prizes, at least 34% to be allocated to public education, and up to 16% to be slated for administrative expenses.

Between fiscal years 1985-86 and 1995-96, State Lottery sales totaled over \$22 billion. Of this amount, \$8.2 billion was allocated to public education. Key State Lottery bills acted upon by the Assembly this year include:

**AB 197 (Thomson) Lottery Vending Machines.** Allows the California State Lottery to re-install Scratchers vending machines. The Lottery had withdrawn these machines last year because of an opinion by the Attorney General that the machines may be in violation of state gambling laws. This bill clarifies that the Lottery does not violate state law by selling tickets through vending machines.

*Status: Signed by the Governor.*

**AB 201 (Bowen) Increase Public's Share of State Lottery Revenues.** Increases by two percent the amount of California State Lottery revenues returned to the public either in the form of public education or prizes. To make this happen, the bill decreases by two percent the amount of revenues slated for Lottery expenses.

*Status: Held in the Senate.*

**AB 1453 (Cardenas) Increase School's Share of State Lottery Revenues.** Provides that 50% of any increase beyond the 34% of Lottery revenues as calculated for the 1997-98 fiscal year, and currently given to K-12 will be allocated to the schools for the sole purchase of instructional materials. This bill is to take effect upon approval by the voters.

*Status: Signed by the Governor.*



## Health

Assembly Democrats moved aggressively during the 1997-98 legislative session to deal with serious problems in the state's health care delivery system. With growing stories of abuses committed by health maintenance organizations (HMOs), with administrators who are eyeing the bottom line when making patients' health care decisions, and with an escalating number of the working poor, especially children, without any health insurance coverage, Democrats worked hard – and, unfortunately, in many cases failed – to reach accord with the Governor on ways to reform this troubled industry giant.

Two issues that continue to dominate the health policy agenda shared the spotlight in the Assembly Health Committee this year: managed care and access to health care services.

Under the strong leadership of Chairman Martin Gallegos, the committee crafted legislation intended to reform an out-of-control managed care system that places more emphasis on cost-cutting than on providing the medical care to which Californians enrolled in HMOs are entitled. The committee passed legislation to provide greater choice of providers, to ensure that drug formularies operate more fairly, to promote better access to care within HMOs, and to include appeal rights and an overhaul of the processes used by HMOs to determine whether to authorize or deny care. The committee also endorsed legislation to create more public disclosure of HMO actions, including their criteria for authorizing or denying care. To ensure that the many reforms are successful, the committee passed legislation to establish a new governing structure for HMOs.

In response to California's healthy economy and reports that reveal limited access to primary, preventive and critical health care services, the Assembly Health Committee approved several bills that expand essential programs to meet the needs of California's vulnerable populations.

In the wake of federal welfare reform implementation, which limits immigrant eligibility for certain public assistance programs including important preventive health services, the committee recognized the savings to taxpayers and the public health benefits of maintaining eligibility for individuals despite their immigration status. A number of bills were supported that ensure access for qualified individuals to such critical preventive and rehabilitative programs.

California's Medi-Cal program provides for health care services to California's low-income, aged, blind and disabled individuals. There are a variety of eligibility categories which can make an individual eligible for Medi-Cal, including poverty level programs for children and pregnant women in low-income families, categorical eligibility for families in public assistance programs, and share-of-cost eligibility for disabled or low-income individuals who have high cost medical expenses and income too high to qualify for Medi-Cal.

In 1996, approximately 6.5 million non-elderly Californians were uninsured. People who are uninsured often go without needed care until their health situation has been elevated to an

emergency, or they depend on public hospitals and community clinics for low and no-cost care. The Assembly Health Committee supported measures to maximize federal funding under Medi-Cal and the new federal children's health insurance program to expand health coverage for the uninsured. Recent population studies reveal that there are over 1.7 million uninsured children in California. These same studies indicate that over 600,000 children eligible for Medi-Cal are not enrolled. Complex program administration and confusing eligibility criteria, in addition to the welfare stigma associated with Medi-Cal, contribute, in part, to this trend.

The 1997 federal budget contained \$24 billion over a five-year period for states to expand health coverage for uninsured, low-income children in working families, who are not currently eligible for Medicaid (Medi-Cal in California). States are authorized to expand Medicaid, create or expand a children's insurance program, or implement a combination of both. California is in line to receive up to \$3.9 billion in federal funds over five years provided the state contributes 35% of program funds. Any of California's allocation that goes unused will be redistributed to other states. With the passage of AB 1126 (Villaraigosa), Chapter 623, Statutes of 1997, and SB 903 (Lee), Chapter 624, Statutes of 1997, California has implemented a combination program, which the Department of Health Services indicates will cost \$500 million annually (\$175 million in state matching funds and \$325 million in federal funds).

The Wilson administration originally targeted 580,000 uninsured children for enrollment in the Healthy Families Program. Recent administration policy changes have limited the target population to approximately 400,000.

Following are some of the important bills passed by the Assembly during the past session:

**AB 7 (Brown) Mastectomy Coverage.** Requires health insurance policies and health plan contracts to include coverage for an appropriate hospital stay as ordered by the attending physician for all needed reconstructive surgeries and for all complications following a mastectomy.

*Status: Signed by the Governor.*

**AB 12 (Davis) Direct Access to Obstetrical Care.** Requires health plans to permit women to choose an obstetrician or gynecologist as a primary care provider in order to eliminate delays, interference from gatekeepers, and possible improper diagnosis or treatment by lesser trained physicians.

*Status: Signed by the Governor.*

**AB 34 (Wayne) Breast Cancer Health Coverage.** Requires health plans to cover screening, diagnosis and treatment (including prosthetic and reconstructive surgery) of breast cancer. Permits direct access to an OB/GYN and oncologist upon diagnosis of breast cancer.

*Status: Vetoed by the Governor.*

**AB 214 (Thomson) Access to Health Care.** Guarantees continuity of care for working poor by providing access to prescription medicine for patients switching from Medi-Cal to HMOs.  
*Status: Signed by the Governor.*

**AB 341 (Sweeney) Second Medical Opinions.** Requires a health plan to pay for a medically necessary second opinion upon the request of an enrollee.  
*Status: Vetoed by the Governor.*

**AB 434 (Gallegos) Termination of Health Care Providers.** Requires “managed care organizations” to provide health care providers with a reason for contract termination or non-renewal and to provide an opportunity for binding arbitration related to the termination or non-renewal. Too often, long-term patient relationships are disrupted and continuity of care harmed because health care providers are suddenly terminated.

**Status:** *Vetoed by the Governor.*

**AB 452 (Wildman) Emergency Medical Transport.** Prohibits private providers of emergency medical transport services from billing for aid that was provided by a fire department. Firefighters are the largest group of providers of pre-hospital emergency care in the United States.

**Status:** *Vetoed by the Governor.*

**AB 497 (Wildman) HMO Response Time.** Requires health plan providers to meet specific and fast response times to enrollee telephone calls and requests for appointments. One of the most common consumer complaints about managed care is the endless waiting that discourages patients from seeking the care they need when they need it.

**Status:** *Vetoed by the Governor.*

**AB 536 (Gallegos) Disclosure.** Requires health plans to make available to the public the criteria used to determine whether to authorize or deny health care services.

**Status:** *Vetoed by the Governor.*

**AB 607 (Scott) Health Plan Information: Public Disclosure.** Requires health plan disclosure forms to include specific information regarding benefits in a matrix format to help people compare plans.

**Status:** *Signed by the Governor.*

**AB 659 (Miller) Medi-Cal Prescription Drugs.** Adds to the Medi-Cal list of contract drugs any federal Food and Drug Administration-approved drug for the treatment of psychosis and psychotic disorders.

**Status:** *Held in the Senate.*

**AB 752 (Migden) Tobacco Advertising.** Prohibits tobacco advertising on billboards within 1,000 feet of schools.

**Status:** *Signed by the Governor.*

**AB 742 (Washington) Medicare Patients: Discharge.** Requires health care service plans to allow a Medicare enrollee who is discharged from an acute care hospital to return to the skilled nursing facility, continuing care retirement community or multilevel facility in which the enrollee resided prior to hospitalization.

**Status:** *Signed by the Governor.*

**AB 760 (Migden) Health Coverage: Autologous Bone Marrow Transplant (ABMT).** Makes a breast cancer patient eligible for an independent review of health plan treatment decisions if her physician recommends ABMT and the health plan denies it.

*Status: Vetoed by the Governor.*

**AB 768 (Gallegos) Disproportionate Share Hospitals (DSH).** Stabilizes funding for disproportionate share hospitals (hospitals that serve high numbers of low-income and uninsured patients) and ensures that the state receives new federal funding earmarked for DSH. The DSH program yields \$1.1 billion in federal funds to assist these hospitals.  
*Status: Signed by the Governor.*

**AB 794 (Figueroa) Health Care.** Provides that any decision regarding the “medical necessity” of health care be based on medical and not administrative reasons, requires health plans to disclose the process and criteria used to authorize or deny care, and requires a physical exam before an HMO or insurer can deny recommended care for patients facing grave health risks.  
*Status: Vetoed by the Governor.*

**AB 910 (Cardenas) Prostate Cancer.** Establishes the Prostate Cancer Fund to provide prostate cancer screening for uninsured men.  
*Status: Signed by the Governor.*

**AB 974 (Gallegos) HMO Drug Formularies.** Prohibits health plans from limiting coverage for a drug that had previously been approved by the plan and requires specified disclosures regarding the use and contents of drug formularies, in order to prevent potential serious problems caused by new drugs that may have different side effects and may interact differently with other drugs the enrollee may be taking.  
*Status: Signed by the Governor.*

**AB 984 (Davis) Ambulatory Services.** Allows a patient to call “911” when he or she needs help, without worrying about whether the health maintenance organization (HMO) or the insurer will cover the cost of the medical transportation and ensures that HMOs and insurers meet their obligation to care for the patient.  
*Status: Signed by the Governor.*

**AB 1099 (Migden) Medi-Cal Coverage for AIDS Patients.** Continues Medi-Cal eligibility with no share of cost, or reduced share of cost, for persons with HIV or AIDS who return to work. AB 1099 applies only until a person is eligible for and receives full medical coverage with prescription drug coverage.  
*Status: Vetoed by the Governor.*

**AB 1112 (Hertzberg) Health Care Coverage.** Requires health plans to provide coverage of a variety of federal Food and Drug Administration-approved prescription contraceptive methods.  
*Status: Vetoed by the Governor.*

**AB 1126 (Villaraigosa and Figueroa) Uninsured Children.** Creates the Healthy Families Program to provide health care for currently uninsured children by covering children in families with incomes equal to or less than 200% of the federal poverty level. Increases outreach to enroll Medi-Cal-eligible children who are not currently enrolled.  
*Status: Signed by the Governor.*

**AB 1133 (Gallegos) Nursing Home Patient Protection.** Reforms California’s nursing home enforcement system by repealing a requirement that waives fines for first time violations and limiting the discount that nursing homes receive for early payment of fines, to ensure that nursing home violations that put our frail elderly at great risk have serious financial consequences.

*Status: Signed by the Governor.*

**AB 1181 (Escutia) Health Care Coverage.** Ensures “continuity of care” for patients who require care from a specialist.

*Status: Signed by the Governor.*

**AB 1341 (Alquist) Research.** Requires grantees conducting clinical research with state funds to ensure that women and minority groups are included as research subjects. Addresses an inequity in our current system: less clinical research is performed on women, and even less is performed on minorities and women over 40 years old.

*Status: Vetoed by the Governor.*

**AB 1354 (Davis) Health Coverage: Direct Access to Obstetricians and Gynecologists (OB-GYNs).** Requires health plans to permit enrollees to receive OB-GYN services directly from an OB-GYN without the need for referral from a primary care physician, often just the “gate-keeper” for an HMO.

*Status: Vetoed by the Governor.*

**AB 1397 (Gallegos) Health Care for Poor Mothers and Newborns.** Ensures that mothers and newborns receiving Medi-Cal assistance are permitted hospital care that is equivalent to care provided for mothers with private insurance. Prohibits Medi-Cal from restricting inpatient care to less than 48 hours following a normal vaginal delivery and 96 hours following a cesarean section. Deems it unprofessional conduct for a physician to deny, or threaten to withhold, pain management services, based upon that patient’s source of payment or ability to pay for medical services.

*Status: Signed by the Governor.*

**AB 1483 (Gallegos), SB 527 (Rosenthal) and SB 1052 (Vasconcellos) Long-Term Care Insurance.** Authorizes the sale of tax-qualified, long-term care insurance and improves consumer standards for long-term care coverage in several areas, including benefit eligibility, disclosure of information, and rating rules.

*Status: All three bills Signed by the Governor.*

**AB 1554 (Ortiz) Ovarian and Cancer Research Program.** Establishes the Cancer Research Program within the Department of Health Services to study the cause, cure and treatment of cancer with an emphasis on gender-based cancers. AB 1554 appropriates \$2 million to begin the program this year and expresses intent to appropriate \$25 million next year.

*Status: Signed by the Governor.*

**AB 1560 (Scott) Emergency Services Coverage.** Expands the definition of basic emergency services that must be covered by a health plan without prior authorization to include the care, treatment and surgery by a physician necessary to stabilize the emergency condition or active labor.

*Status: Signed by the Governor.*



**AB 1663 (Migden) HIV Reporting.** Establishes the HIV Surveillance Task Force to develop and implement a uniform, statewide HIV reporting system based on a unique identifier method that maintains confidentiality to meet the need to improve the data used to target resources to HIV infected individuals.

*Status: Vetoed by the Governor.*

**AB 1667 (Migden) HMO External Review.** Establishes the Independent Health Care Appeals Program (Appeals Program) to examine denials of coverage by health plans and provides an expedited mechanism for appeals in internal grievance procedures.

*Status: Held in Senate Appropriations.*

**AB 1726 (Bustamante) Health Care Rights.** Enacts the Family Health Care Rights Act including the rights: to choose your doctor; to appropriate treatment; to information about health care benefits; to emergency care; and to medical confidentiality.

*Status: Vetoed by the Governor.*

**AB 1742 (Ducheny) Border Health.** Establishes the Officer of Border Health within the Department of Health Services to address cross-border health issues such as tuberculosis.

*Status: Held in Senate Appropriations.*

**AB 1748 (Alquist) Osteoporosis Prevention and Treatment.** Creates the California Osteoporosis Prevention and Treatment Program within the Department of Health Services, to track prevalence and treatment options.

*Status: Vetoed by the Governor.*

**AB 1832 (Wildman) Healthy Families.** Establishes a local education agency billing option to reimburse education agencies for health services provided to Healthy Families' eligible children to provide them with efficient, uninterrupted health benefits.

*Status: Vetoed by the Governor.*

**AB 2006 (Keeley) Dentists: Sedatives.** Provides additional protection for young children, who are more vulnerable to sedatives than adults, by requiring dentists to be properly trained and certified to administer these sedatives.

*Status: Signed by the Governor.*

**AB 2031 (Cedillo) Medi-Cal.** Continues eligibility for certain health services for individuals, irrespective of immigration status, including long-term care, mental health, developmentally disabled, children's health and mental health.

*Status: Vetoed by the Governor.*

**AB 2048 (Gallegos) HMO Criteria for Denial of Services Disclosure.** Requires the criteria HMOs use to authorize or deny care to be made available to the public upon request.

*Status: Vetoed by the Governor.*

**AB 2079 (Villaraigosa) Healthy Families.** Reduces the Healthy Families health co-payment cap from \$250 to \$200 and caps vision and dental benefit co-payments at \$25.  
*Status: Vetoed by the Governor.*

**AB 2087 (Gallegos) Medi-Cal.** Continues Medi-Cal disproportionate share hospital funding to compensate for some of the hospital costs for critical health services provided to Medi-Cal beneficiaries and uninsured individuals.  
*Status: Signed by the Governor.*

**AB 2103 (Gallegos) Access to Emergency Services.** Protects access to timely and appropriate emergency care by requiring an impact evaluation and one public hearing prior to the downgrade or closure of hospital emergency services. Requires that health plan enrollees be notified of emergency room closures.  
*Status: Signed by the Governor.*

**AB 2120 (Cedillo) Acupuncturists.** Adds licensed acupuncturists to the list of licensed health professionals who may be shareholders, officers, directors, or professional employees of medical professional corporations.  
*Status: Signed by the Governor.*

**AB 2171 (Villaraigosa) Healthy Families.** Makes qualified legal immigrant children eligible for Healthy Families.  
*Status: Vetoed by the Governor.*

**AB 2403 (Shelley) HMO Consumer Assistance.** Enhances Department of Corporations' consumer assistance and requires DOC to contract with consumer advocacy organizations to help HMO enrollees.  
*Status: Vetoed by the Governor.*

**AB 2436 (Figueroa) HMO Liability.** Subjects health plans to liability for medical treatment decisions.  
*Status: Failed in Senate Appropriations.*

**AB 2438 (Murray) Maternal and Child Health Services.** Requires HMOs to provide coverage to women for prenatal diagnostic testing.  
*Status: Signed by the Governor.*

**AB 2516 (Bustamante) Medi-Cal.** Requires a report to the Legislature on Medi-Cal physician and dental rates, including a comparison of rates paid in five states which can be reasonably compared to California.  
*Status: Vetoed by the Governor.*

**AB 2527 (Cedillo) Sale of Hospital Charitable Assets.** Provides for increased public scrutiny, and Attorney General review, of the proposed transfer of nonprofit hospital assets to another nonprofit, leveling the playing field for nonprofit and for-profit facilities by expanding

the application of current law to include all transfers of nonprofit health facilities regardless of the tax status of the acquiring entity.

*Status: Vetoed by the Governor.*

**AB 2570 (Migden) Notification of Hospital Service Reductions.** Requires hospitals to post notice of requests to waive program requirements, such as staff-to-patient ratios and care levels, informing hospital employees of pending changes that may jeopardize patient care, and facilitating nurses' comments to be considered by DHS in a timely manner.

*Status: Vetoed by the Governor.*

**AB 2592 (Wayne) Breast Cancer Treatment.** Establishes the Breast Cancer Treatment Program to provide breast cancer treatment services to uninsured and underinsured women.

*Status: Vetoed by the Governor.*

**AB 2639 (Perata) Internal Review of HMO Decisions.** Requires health plans to follow certain procedures when determining whether to authorize or deny coverage for treatment. Requires coverage of cancer screening tests.

*Status: Vetoed by the Governor.*

**AB 2690 (Wildman) Patient Protection.** Gives individuals in the Genetically Handicapped Persons Program the opportunity to disenroll from mandatory Medi-Cal managed care, so that patients with chronic conditions who are not always served well under Medi-Cal managed care models may find the direct and timely access to necessary special treatment.

*Status: Vetoed by the Governor.*

**SB 34 (Vasconcellos) Medi-Cal.** Continues Medi-Cal pregnancy services, including prenatal care to qualified women, irrespective of their immigration status.

*Status: Vetoed by the Governor.*

**SB 406 (Rosenthal) HMO Regulatory Oversight.** Establishes a five-member public board to regulate HMOs to protect consumers and ensure the quality of care for HMO enrollees.

*Status: Vetoed by the Governor.*

**SB 625 (Rosenthal) HMO Drug Formularies.** Requires health plans that include prescription drug benefits to maintain an expedited process by which prescribing providers may obtain authorization for a medically necessary nonformulary prescription drug.

*Status: Signed by the Governor.*

**SB 719 (Johnston) Cal-COBRA Program.** Extends a similar guarantee to employees in firms with fewer than 20 employees as the federal COBRA, which requires employers of 20 or more employees to offer continuation health benefits at the group rate to employees, spouses and dependents when a person leaves employment.

*Status: Signed by the Governor.*

**SB 1129 (Sher) HMOs: Continuity of Care.** Requires health plans and disability insurers to provide continuity of care, at the request of an enrollee who is currently being treated for an acute or serious condition or a pregnancy by a provider terminated by the plan.

*Status: Signed by the Governor.*

**SB 1255 (Polanco) Health Care: Discount Payments.** Allows health care providers to grant discounts to patients without health coverage and provides that these discounted fees are not deemed to be the health care provider's usual fee for purposes of health plan contracts.

*Status: Signed by the Governor.*

**SB 1403 (Polanco) Anatomical Gifts.** Requires coroners to obtain consent of next-of-kin prior to the release or removal of corneal tissue from human remains. Requires the Department of Motor Vehicles (DMV) to modify the form by which drivers designate an anatomical gift and to modify driver's licenses to identify individuals who have consented to provide an anatomical gift.

*Status: Signed by the Governor.*

**SB 1689 (Rosenthal) HMO Ombudsprograms.** Establishes pilot health care ombudsprograms to assist HMO consumers with health care needs.

*Status: Vetoed by the Governor.*

## Higher Education

The Assembly Committee on Higher Education, under the unwavering leadership of its chairman, Assemblyman Ted Lempert made great strides towards increasing access to higher education for California students and their families. In particular, Assembly Democrats voted to reduce student fees for graduate students, increase state-supported financial aid for needy students and students transferring to four-year institutions, and re-examine university admissions criteria and student outreach programs in a post-Proposition 209 environment. In order to meet the expected "Tidal Wave II" enrollment growth and accommodate approximately one-half million new students, the Assembly approved the placement of a record \$2.5 billion Higher Education Facilities Bond Measure on the November 1998 ballot. In addition, the Assembly supported measures to expedite the development of the University of California (UC) Merced campus, convert the former Camarillo State Hospital to a California State University (CSU), Channel Islands campus, and explore the development of an additional UC campus in Chula Vista.

Some of the key bills passed by the Assembly this session include:

**AB 71 (Wright) Private Postsecondary and Vocational Education Council.** Places back in law basic consumer protections, more important now than ever, as thousands of people will be seeking training as a result of welfare reform. Last year, the Governor vetoed authorization for the Council to continue its work of monitoring private vocational colleges, some of which prey on the poor and do not fulfill their obligations.

*Status: Signed by the Governor.*

**AB 226 (Scott) Education Finance.** Establishes a fixed split of Proposition 98 funding between K-12 schools and community colleges by increasing the community college percentage from 10.3% in 1997-98 to 10.6% in 2001-02 and thereafter.

*Status: Vetoed by the Governor.*

**AB 424 (Woods) Financial Aid For Emancipated Foster Youth.** Establishes a new student financial aid program which entitles emancipated foster youth to a college scholarship (in the form of a living stipend) which is renewable for up to three additional years.

*Status: Vetoed by the Governor.*

**AB 521 (Lempert) Community Colleges: Admissions.** Requires the Board of Governors of the California Community Colleges (CCC) to adopt regulations to permit local CCC governing boards to use electronic admissions applications. Clarifies the effective date for the CCC \$1 per unit fee reduction, adopted by the Legislature in AB 1318.

*Status: Signed by the Governor.*

**AB 530 (Assembly Higher Education Committee) Golden State Scholarshare Trust Act.** Establishes the Golden State Scholarshare Trust Act, an open savings program for families to

help them plan for and alleviate the future costs of higher education at both public and private colleges, universities and vocational institutions. The bill provides a tax-free exclusion from gross income for the participant. Proceeds from the savings program can be used for tuition, fees, books, supplies, and room and board.

*Status: Signed by the Governor.*

**AB 549 (Wildman) Medi-Cal Providers.** Adds community college districts (CCD), a California State University (CSU), or University of California (UC) campus to the definition of "local educational agency" as a provider of services for the purpose of seeking federal Medi-Cal funds. Many community college educators are concerned that with welfare reform, the college health centers will be even more in demand for those students with no access to health care. This bill provides some fiscal relief to the community colleges and other universities by allowing for billing directly to Medi-Cal for health services provided to eligible students.

*Status: Signed by the Governor.*

**AB 1318 (Ducheny) Public Postsecondary Education Student Fees.** Prohibits any increase in system-wide student fees, for both undergraduate and graduate students, at UC, CSU and CCC during the two-year period July 1, 1998 to June 30, 2000.

*Status: Signed by the Governor.*

**AB 1415 (Bustamante) Higher Education Partnership Act of 1999.** Guarantees that the State will provide funding to UC and CSU equal to the existing proportion of the state General Fund plus funding for enrollment growth in each of the next four fiscal years.

*Status: Vetoed by the Governor.*

**AB 1613 (Scott) Higher Education Affordability Act.** Conforms to the federal deduction of interest on higher education loans beginning in 1998. In addition, it conforms to federal law by expanding the type of educational expenses which can be funded from states' prepaid tuition plans.

*Status: Signed by the Governor.*

**AB 1714 (Wildman) Community Colleges: Full-time Faculty Positions.** Expresses legislative intent to fund 5,000 new full-time faculty positions in the California Community Colleges over the next seven years.

*Status: Held in Senate Appropriations Committee*

**AB 1966 (Bustamante) Higher Education Partnership Act of 1999.** Enacts the Higher Education Partnership Act of 1999 to establish a minimum funding level for the University of California (UC) and the California State University (CSU) in return for their commitment to specified conditions regarding student access to higher education.

*Status: Vetoed by the Governor.*

**AB 2398 (Ducheny) Community College Financing.** Requires that the apportionment rates for community college noncredit courses be increased, on a pro rata basis. Appropriates \$11



million for that purpose. In addition, this bill appropriates \$35 million to equalize the funding levels among community colleges.

*Status: Vetoed by the Governor.*

**AB 2429 (Knox) Community Colleges: Work Force Training.** Authorizes the California Community Colleges Board of Governors to make grants to community college districts for work-site based training in high-technology industries and training for registered nurses in certain specialties.

*Status: Vetoed by the Governor.*

**AB 2528 (Ducheny) California State Work-Study Program: Job Placement.** Creates the Teaching Intern Program within the California Work-Study Program to increase the number of work-study positions available to financially-needy college students who offer tutorial instruction to pupils in grades 4-10 or participate in student outreach activities. Allows existing tutorial and outreach programs to hire more college students to serve as “teaching interns.” This bill will only become operative if funds are appropriated for this purpose in the Budget Act of 1998.

*Status: Signed by the Governor.*

**AB 2554 (Murray) Postsecondary Education: Student Transfer.** Grants community college students who earn an associate of arts or an associate of sciences degree in liberal arts, and who meet transfer curriculum and grade point average requirements, the “highest priority” for admission to the University of California or California State University system.

*Status: Vetoed by the Governor.*

**AB 2812 (Higher Education Committee) 1998 Higher Education Omnibus Act.** Makes a variety of changes relating to the California Student Aid Commission, the California Community Colleges, the California State University and the Golden State Scholarshare College Savings Program, including technical alterations to the Scholarshare program in order to ensure compliance with federal law and make the program easier to administer.

*Status: Signed by the Governor.*

**ACR 20 (Cardoza) University of California, Merced Campus.** Requests the President of the University of California to report to the Legislature by January 1, 1999, regarding the development of a UC campus at Merced.

*Status: Adopted.*

**ACR 81 (Scott) California State University: Teacher Preparation.** Memorializes the Trustees of the California State University (CSU) to report to the Legislature on their efforts to increase the accessibility and efficiency of CSU’s teacher preparation programs.

*Status: Adopted.*

**SB 50 (Greene-Villaraigosa) Education: Leroy F. Greene School Facilities Act of 1998: Class Size Reduction Kindergarten-University.** Upon approval of the voters, SB 50 will provide a \$9.2 billion school bond – the largest in California’s history – for desperately needed

school facilities. Appropriates \$2.5 billion for higher education facilities, including \$165 million for new UC, CSU, CCC campuses.

*Status: Signed by the Governor.*

**SB 1666 (Solis) Student Opportunity and Access Program.** Repeals the sunset date for the California Student Opportunity and Access Program (Cal-Soap) which is one of the states most successful student outreach programs. In addition, this bill makes technical changes to ensure conformity with Proposition 209.

*Status: Signed by the Governor.*

**SB 1729 (Thompson) School Safety.** Requires the University of California (UC), the California State University (CSU), California's community colleges, and three independent colleges (Stanford University, University of Southern California, and the University of the Pacific) to enter into written agreements with local law enforcement regarding coordination and responsibilities for investigating violent crimes occurring on campus. Additionally, this bill reaffirms that college campus law enforcement agencies have the primary authority for providing police and security services, including the investigation of criminal activity, to their campuses.

*Status: Signed by the Governor.*

**SB 1740 (Hayden) Service Learning.** Establishes the Statewide Service Learning Center and the Service Learning Grant program to encourage higher education institutions to incorporate service learning into their curriculum.

*Status: Vetoed by the Governor.*

**SB 1807 (Hughes) Public University Admissions Criteria.** Requires the California State University (CSU) and requests the University of California (UC) to establish pilot studies to assess the effectiveness of admitting students using "alternative" admissions criteria, give consideration to the use of an oral evaluation in the admissions process, and work with California Postsecondary Education Commission (CPEC) to establish annual college participation rates for each public high school.

*Status: Vetoed by the Governor.*

**SB 1848 (Karnette) Community Colleges: Temporary Academic Employees.** States the Legislature's intent that any faculty member employed by a community college district on a part-time basis be compensated at a salary or hourly rate that is directly proportional to the salary of a full-time regular employee with comparable training and experience. Additionally, this bill states the intent of the Legislature that districts not discriminate against temporary employees in providing benefits and that those benefits may be prorated for temporary employees.

*Status: Vetoed by the Governor.*

**SB 1896 (Peace) Graduate Student Fee Reduction.** Reduces student fees by 5% in 1999-2000 for graduate students at the University of California (UC) and California State University (CSU), if an appropriation is provided for this purpose in the 1999-2000 Budget Act.

*Status: Signed by the Governor.*

**SB 1923 (O'Connell) CSU Channel Islands.** Enacts the California State University (CSU) Channel Islands Site Authority (CISA) to facilitate the conversion of the former Camarillo State Hospital to a CSU educational facility.

*Status: Signed by the Governor.*

**SB 2064 (O'Connell) Student Financial Aid: Cal Grant Program.** Establishes a new scholarship program for students in teacher preparation programs and makes adjustments to

the existing Cal Grant program in order to ensure that the award criteria for community college transfer students is no more stringent than the criteria for first-time freshmen.

*Status: Signed by the Governor.*

**SCR 71 (Hughes) Student Transfer.** Expresses the intent of the Legislature that UC and CSU admit all eligible community college transfer students, and report annually to the California Postsecondary Education Commission (CPEC) regarding relevant transfer students statistics.

*Status: Adopted.*

**SCR 92 (Peace) University of California: Chula Vista Site.** Endorses a specific, approximately 1,100 acre site in the City of Chula Vista in San Diego County for a possible future University of California (UC) campus. The resolution specifies that if, at the end of 30 years, no determination has been made to locate a UC campus on the site, the site reverts back to the previous landowners.

*Status: Adopted.*

***The following bills failed to pass the Committee.***

**AB 678 (Aguiar) Community College Job Training Program.** Creates a Community College Job Training Program authorizing community colleges, with the approval of the Employment Development Department, to enter into agreements to establish projects and provide program services to an employer. This bill was ambiguously constructed, would have imposed an additional tax, and called for the creation of a new bureaucracy for implementation purposes.

**AB 2213 (Aguiar) Valedictorian Scholarship Program.** Establishes a merit-based scholarship program to provide a scholarship to one Valedictorian from each of the state's public and private high school. In contrast to long-standing state financial aid policy, scholarships would have been based solely on merit and would not have taken into consideration the financial need of the student.

## Housing & Community Development

During the 1997-98 legislative session, Assembly Democrats moved on a number of fronts to increase the supply of affordable housing for Californians. The state currently faces a major affordable housing crisis. The number of apartments produced in the state has dropped from 100,000 per year in the mid-1980s to 12,000 in the mid-90s, and, in 1995, California was home to 13 of the nation's 25 least affordable metropolitan areas. Often, two-income families struggle to find decent housing near their work sites.

Under the strong leadership of its chair, Assemblyman Tom Torlakson, the Housing and Community Development Committee worked to meet the affordability challenge in a number of ways, including providing incentives for local jurisdictions to plan for and provide housing near job sites, improving the use of redevelopment housing funds, enacting a comprehensive program to decrease lead hazards in older housing units, and increasing funding for affordable housing through tax credits, loans and grants.

Additionally, the committee has sought to protect some of our most vulnerable and underserved citizens, such as seniors and disabled homeowners. These include Section 8 residents, who face the daunting task of finding affordable housing when their subsidized housing becomes market-rate, farmworkers, especially those who faced homelessness after the 1997 floods, those who suffer illegal discrimination based on their sexual orientation and disabled homeowners who have to fight to keep their pets. The committee passed legislation this session to aid these groups.

Following are some of the key bills passed by the Assembly:

**AB 10 (Ducheny) Farmworker Housing.** Allocates \$4 million appropriated by the 1997-98 Budget Act to the Farmworker Housing Grant Program, the first appropriation it has received since 1991.

*Status: Signed by the Governor.*

**AB 168 (Torlakson) Low-Income Housing Tax Credit.** Increases the tax credit for building low-income rental housing from \$35 million to \$50 million. The tax credit is one of the major sources of funding for affordable housing for working families.

*Status: Signed by the Governor.*

**AB 257 (Villaraigosa) Fair Employment and Housing.** Moves from the Labor Code to the Fair Employment and Housing Act (Civil Code) provisions prohibiting discrimination on the basis of sexual orientation. Doing so places sexual orientation with all other protected categories, such as gender and race, and subjects it to the same remedies.

*Status: Vetoed by the Governor.*

**AB 450 (Torlakson) Relocation Assistance.** Brings the state in line with federal relocation assistance provided when a state or local public development project displaces people from

their homes. Contains provisions to ensure that low-income renters currently involved in a relocation process will not receive reduced benefits as a result of passage of the law.

*Status: Signed by the Governor.*

**AB 931 (Thomson) Student Housing.** Creates and capitalizes the California Cooperative Student Housing Act to loan money to build student housing cooperatives.

*Status: Vetoed by the Governor.*

**AB 1701 (Alquist) Section 8 Housing.** As federal housing contracts expire, many landlords desire to raise their rents to market rates, forcing low-income tenants who had been the beneficiaries of such federal subsidies into the streets. AB 1701 requires owners of federally-assisted Section 8 housing to give tenants nine months notification of their intent to opt out of the federal program. The notice gives tenants adequate time to find other assisted housing, which is becoming increasingly difficult with the continual downsizing of the federal housing department and tight California housing markets.

*Status: Signed by the Governor.*

**AB 2020 (Thomson) Pets.** Allows owners of homes in common interest developments to keep pets if they are disabled or are deemed by a physician to benefit from pet ownership.

*Status: Vetoed by the Governor.*

**AB 2421 (Honda) Immigrant Verification.** Clarifies that nonprofit housing organizations that build affordable housing with state money are not required to conduct immigration checks of their residents. Conducting such checks would undermine the community-based role of non-profits and jeopardize their ability to complete housing developments on time.

*Status: Vetoed by the Governor.*

**AB 2737 (Aroner) Supportive Housing.** Enacts the California Statewide Supportive Housing Initiative to provide for permanent supportive housing for very low income people with disabilities.

*Status: Signed by the Governor.*

**AB 6X (Torlakson) Real Estate Disclosure of Natural Hazards.** Requires home sellers and their agents to provide buyers with a listing of the natural hazard zone(s) in which a home is located. It is designed to encourage home buyers to purchase insurance or take mitigation measures to protect their homes.

*Status: Signed by the Governor.*

**SB 219 (Rosenthal) Tax Defaulted Properties: Use as Affordable Housing.** Expands the authority of nonprofit organizations to purchase tax-defaulted multifamily housing, rather than just single family housing. In addition, the bill authorizes use of tax-defaulted property bought and rehabilitated by a nonprofit organization to rent to low-income persons.

*Status: Signed by the Governor.*

**SB 1313 (Leslie) Farmworker Housing.** Provides \$1 million to replace farmworker housing damaged or destroyed by the 1997 floods in Yuba County. The floods left 300-500 migrant farmworkers homeless after they were denied aid by the Federal Emergency Management Agency.

*Status: Signed by the Governor.*

**SB 1405 (Lee and Polanco) Burglar Bars.** Creates statewide standards for the installation and maintenance of “burglar bars.” Also requires standardized packaging labeled with appropriate warning information on fire safety. This legislation is in response to the increasing number of deaths of people trapped inside burning homes by burglar bars without safety release mechanisms.

*Status: Signed by the Governor.*

**SB 1950 (Sher) Permanent Homeless Shelters.** Establishes a permanent homeless shelter program and appropriates \$5 million for it. The funds will be targeted at replacing temporary shelters located in National Guard armories during winter months. Permanent shelters allow staff to provide mental health and job search assistance to this vulnerable population.

*Status: Vetoed by the Governor .*

***The following bills failed to pass the Committee:***

**AB 923 (McClintock) Redevelopment.** Repeals the community redevelopment law and dissolves all existing redevelopment agencies.

**AB 1677 (McClintock) Redevelopment.** Requires that the creation of a redevelopment agency shall be approved by a majority of voters in a local jurisdiction, and that the issuing of bonds by a redevelopment agency shall be approved by a two-thirds vote.

**AB 2089 (Ackerman) Relocation Benefits.** Denies relocation benefits to undocumented immigrants who are forced to move from their rental units due to renovations. The committee found it premature to set up a state regulatory system for such benefits before the federal government issues guidelines.

**SB 71 (Kelley) Coachella Valley Housing.** Establishes the Coachella Valley Redevelopment Affordable Housing Pilot Project, which would have allowed the 10 redevelopment agencies in the Coachella Valley to transfer their redevelopment housing funds to other jurisdictions and receive credit for meeting their share of the region's housing need.



## Human Services

Assembly Democrats faced the daunting task during the 1997-98 session of fashioning a welfare reform bill mandated by the federal government in cooperation with a Governor and a Republican caucus whose initial plan was uncaring and punitive to poor families struggling to get off welfare and into a job. Additionally, the growing incidence of child abuse demanded serious attention.

Under the calm and wise leadership of its chair, Assemblywoman Dion Aroner, the Assembly Human Services Committee focused its efforts in three distinct areas:

- Implementing the federal welfare reform law in a humane and practical fashion;
- Enhancing the well-being of vulnerable populations who live in community care facilities; and
- Enhancing the well-being of children who are removed from their homes due to abuse or neglect.

During 1998, the Assembly Human Services Committee focused on one of the most vulnerable and forgotten populations – children in our foster care system who no longer live at home due to abuse or neglect. Of all California's children, these children are at the greatest risk of premature pregnancy, educational failure, dependence on public assistance, and future involvement with law enforcement.

Because so many children from the foster care system end up as wards of the court in county probation, the Committee took a special look at the needs of these children. It held a major hearing in response to the tragic death, in an Arizona boot camp program, of a California youth, sent there by a county probation department. Out of the hearing, the Committee launched a Blue Ribbon Commission, in conjunction with the National Council on Crime and Delinquency, to investigate options for the treatment of troubled and delinquent youth and develop legislative recommendations for introduction in the next Legislative session.

Overall, this year the Committee worked to:

- Support county social workers whose initial emergency response is critical and whose on-going relationship with a child often determines the child's fate.
- Provide services to heal families, in order to avoid breaking them up.
- Facilitate the permanent placement of foster children, preferably through adoption or placement with other family members.
- Encourage recruitment of caring foster families, especially for young children and those with special needs.
- Development of treatment options for the most troubled children, including emotionally disturbed children and juveniles in the court system.

In another area, the Committee worked to increase protections for seniors and dependent adults. Seniors are the fastest growing portion of California's population, but little has been done to plan for their needs, nor for the needs of thousands of disabled adults who rely on a network of social and medical supports to maintain maximum independence. The Committee believes every individual has the right to be respected and included in the mainstream of society. For many, however, this means relying on community agencies that require state and local support. The 1997-98 bills helped to focus attention on the health and safety issues of dependent adults.

The Committee's priorities included improving Adult Protective Services in every county, increasing information about Residential Care Facilities for the Elderly for residents and their families, and improving in-home supportive services for seniors and the disabled.

The following key bills were passed by the Committee this session:

**AB 72 (Knox) and AB 232 (Honda) Citizenship Assistance.** Funds citizenship assistance centers to help elderly and disabled refugees and other legal immigrants who have worked hard, paid taxes and played by the rules in order to become citizens.

*Status: Held in the Senate.*

**AB 656 (Aroner) Local Child Care Planning.** Creates local child care planning councils, jointly appointed by the county board of supervisors and the county superintendent of education, to help meet the increased need for child care that will result from welfare reform. The language in this bill was included in the final CalWORKs bill.

*Status: Held in the Senate.*

**AB 668 (Aroner) In-Home Supportive Services: Personal Care Services Funding.**

Increases access to attendant care through the IHSS program for severely disabled individuals who are at risk of losing their independence and being placed in a nursing facility.

*Status: Signed by the Governor.*

**AB 696 (Aroner) Children's Receiving Centers.** Establishes a pilot project for the operation of receiving centers to meet the immediate needs of children removed from their homes and allow the county time to find the best placement for the children.

*Status: Held in the Senate Appropriations.*

**AB 929 (Machado) Siting of Group Homes.** Allows more local input in the process of siting and rate-setting for a new group home for abused children who have been removed from their homes by court order. Requires counties to ensure that they have a sufficient number of beds to serve their own group-home population before denying support for a new group home.

*Status: Held in Senate Health and Human Services.*

**AB 1193 (Shelley) Kinship Support Services.** Funds community-based support services for foster children and their relative caregivers.

*Status: Signed by the Governor.*

**AB 1255 (Davis) Continuing Care Board Representation.** Requires nonprofit continuing care retirement community (CCRC) providers to include at least one resident from each facility on their board of directors. Residents pay a significant sum to live in a CCRC but have no voice in the financial decision-making of the board that governs it. AB 1255 addresses residents' concern about decisions to expand, buy, or build new facilities, and other activities that could result in higher fees and deplete their personal resources.

*Status: Signed by the Governor.*

**AB 1391 (Goldsmith) Foster Families.** Increases reimbursement rates for children placed with foster families by 6%.

*Status: Signed by the Governor.*

**AB 1542 (Ducheny) Welfare Reform.** Establishes the California Work Opportunities and Responsibility to Kids (CalWORKs) program to replace AFDC. Imposes tough work participation requirements and time limits upon receipt of aid. Includes various job creation initiatives and provides child care and job training services for recipients. Also includes a safety net for children whose parents exceed the permissible time limits on aid.

*Status: Signed by the Governor.*

**AB 1544 (Human Services Committee) Adoption.** Creates an alternative legal adoption option for relatives caring for foster children. Allows the family structure to remain in place and allows for a post-adoption agreement for continuing contact among family members.

*Status: Signed by the Governor.*

**AB 1545 (Human Services Committee) Community Care Facilities.** Ensures that adults with incidental medical needs (e.g., gastrostomy feeding tubes) have access to community care facilities and are not forced to remain in nursing homes or other medical facilities. Clarifies that facility staff can provide incidental medical services as long as the staff have been trained by a licensed medical professional.

*Status: Signed by the Governor.*

**AB 1576 (Bustamante and Lockyer) Food Stamps.** Creates a state food stamp program for children and seniors who are legal immigrants and are losing federal benefits as a result of welfare reform.

*Status: Signed by the Governor.*

**AB 1654 (Aroner) Adoption Assistance.** Eliminates median income testing in determining the amount an adoptive family will receive through the Adoption Assistance Program.

*Status: Vetoed by the Governor.*

**AB 1780 (Murray) Elder Abuse: Reporting Requirements.** Extends the definition of elder abuse to include fiscal abuse and caregiver neglect. AB 1780 also clarifies protocol to be used in reporting elder abuse to enhance investigation and prosecution.

*Status: Signed by the Governor.*

**AB 1801 (Davis) Children's Services.** Creates a model program to coordinate services for troubled children and families and provide case management through a nonprofit entity.  
*Status: Signed by the Governor.*

**AB 1820 (Honda) Foster Care Providers: Child Care Payments.** Addresses the difficulty counties have in recruiting foster families by providing assistance with child care costs.  
*Status: Vetoed by the Governor.*

**AB 1931 (Murray) Referral Agencies: Residential Care Facilities for the Elderly.** Requires certification of agencies that make referrals to residential facilities for the elderly.  
*Status: Vetoed by the Governor.*

**AB 2043 (Goldsmith) Foster Care: Provider Reimbursement.** Increases rates paid to foster parents to make up for income lost due to lack of COLAs in past years.  
*Status: Held in Senate Appropriations.*

**AB 2155 (Keeley) Residential Care Facilities for the Elderly: Home Health Care: Resident Participation in Decision Making.** Requires residential facilities for the elderly to have care plans for each resident and to include the resident and his or her family in the development of the plan.  
*Status: Signed by the Governor.*

**AB 2286 (Scott) Foster Parent and Caregiver Adoptions.** Simplifies adoption proceedings for relative caretakers and foster parents with whom a child has lived for at least six months.  
*Status: Signed by the Governor.*

**AB 2494 (Aguiar) Developmentally Disabled Persons: Developmental Centers: Client Appeals.** Enhances the rights of developmentally disabled consumers who appeal decisions of regional centers and developmental centers.  
*Status: Signed by the Governor.*

**AB 2598 (Aroner) Child Welfare Services: Foster Children's Health Care Services Act.** Establishes a statewide system of health care for children in foster care.  
*Status: Vetoed by the Governor.*

**AB 2705 (Mazzoni) Long-Term Care Ombudsman Program.** Clarifies the expertise required of an individual who is appointed to serve as the State Long-Term Care Ombudsman.  
*Status: Vetoed by the Governor.*

**AB 2744 (Cardenas) Group Homes: Ratesetting.** Provides a reimbursement rate for group homes that treat children and youth with alcohol and drug addiction.  
*Status: Vetoed by the Governor.*

**AB 2773 (Human Services Committee) Public Social Services: Foster Care, Adoption, Enforcement of Support.** Conforms California law to the federal Adoptions and Safe

Families Act. Expedites the permanent placement of foster children and makes safety of the child the primary consideration of the courts and social workers.

**Status: Signed by the Governor.**

**ACR 24 (Aroner) Food Stamp Waivers.** Calls upon the Governor to request waivers from the Department of Agriculture to continue food stamp benefits for unemployed individuals in areas of high unemployment resulting in millions of federal dollars to California's economy.

*Status: Held in Senate Health and Human Services.*

**SB 933 (Thompson) Foster Care.** Reforms the governance of group homes and provides incentives to develop effective treatment programs for juveniles delinquents and those at risk of criminal behavior.

*Status: Signed by the Governor.*

**SB 1361 (Alpert) Adult Day Care Centers.** Allows residential and day care facilities caring for individuals with dementia to install devices to prevent clients from wandering out of the facility.

*Status: Signed by the Governor.*

**SB 1874 (Solis) Emancipated Foster Youth: Job Training Pilot Program.** Establishes a pilot program to provide outreach to emancipated foster youth who are not connected to an independent living program.

*Status: Vetoed by the Governor.*

**SB 1911 (Vasconcellos) Aging: Strategic Planning.** Requires development of a strategic plan for California's aging services.

*Status: Vetoed by the Governor.*

**SB 2030 (Costa) Child Welfare Services: Funding: Study.** Requires the Department of Social Services to undertake a workload study to determine what level of staffing is necessary and appropriate to meet the needs for emergency response and on-going case management in the child welfare system.

*Status: Signed by the Governor.*

**SB 2199 (Lockyer) Elder and Dependent Adult Abuse.** Reforms aspects of the elder abuse reporting law and establishes requirements for local county adult protective services.

*Status: Signed by the Governor.*

***The following bills failed to pass the Committee:***

**AB 1326 (Prenter) and AB 1400 (Ashburn) California Temporary Assistance Program.**

Governor's welfare plan including stricter time limits and work requirements than federal law.

**AB 1404 (Runner) Child Support and Paternity.** Denies welfare benefits to custodial parents who fully cooperated in establishing the paternity of their children but who were unable to get a paternity order. The defeat of this bill ensured that nearly one-half million children who do not have paternity orders established through no fault of the custodial parent will be eligible for welfare benefits.

**AB 1769 (Kuykendall) Community Care Facilities.** Authorizes local governments to deny placement of group homes for six or fewer clients and to require conditional use permits and fees when a group home is sited. Conflicts directly with federal fair housing law.

**AB 1778 (Prenter) General Assistance.** Imposes limitations on eligibility for general assistance and requires counties to perform drug and alcohol screening on applicants and recipients of general assistance.

**AB 2412 (Woods) Human Services: CalWORKs: Employment.** Authorizes counties to establish a mandatory work program for CalWORKs recipients in which the recipient works for a private employer and receives as pay an amount from the county that equals the value of his or her CalWORKs grant and food stamps. Does not require minimum wage to be paid and obligates the employer to cover only required worker's compensation.

**AB 2443 (Morrow) Probation and Parole: Sober Living Homes.** Requires local law enforcement agencies to certify sober living homes and prohibits placement agencies, including the California Youth Authority and Dept. of Corrections, from making placements in non-certified homes.

**AB 2469 (Leach) CalWORKs: Vouchers.** Authorizes counties to give CalWORKs grants in the form of vouchers instead of cash.

## Information Technology

Assembly Democrats worked during the 1997-98 legislative session to create both a repository for knowledge of information technology (IT) issues facing the state of California as well as an oversight body for all IT legislation, and to make sure that information is widely available to all Californians.

Under the strong leadership of Assemblywoman Elaine White Alquist, the Assembly Committee on Information Technology took important steps this session to ensure that California government moves as quickly as feasible to an “on line” interactive framework, while at the same time assuring that safeguards for private information be maintained.

As an oversight body for IT procurement, the Committee identified several areas where California is not getting the full value out of its IT investment dollar due to non-functioning statewide computer systems. The most critical of these systems is the defunct Statewide Automated Child Support System (SACSS), which was terminated, saving \$220 million in taxpayers’ dollars.

To address the State’s computer systems’ preparedness to handle the Year 2000 Problem (“Y2K”), the Assembly Committee on Information Technology convened a series of ten “Y2K” joint oversight hearings with the Senate’s Select Committee on Procurement, Expenditure, and Information Technology and the Select Committee on Economic Development .

Key bills passed by the Assembly include:

**AB 43 (Murray) Department of Motor Vehicles Internet Transactions.** Requires the Department of Motor Vehicles (DMV) to devise and make available to the public a program for conducting transactions over the Internet by 1999. Californians are well aware of the hassles often encountered when making simple transactions at DMV branch offices. This bill is a step to not only lower DMV processing costs, but to create a much more user-friendly face to the public.

*Status: Vetoed by the Governor.*

**AB 1345 (Alquist) The Year 2000 Problem Vendor Compliance and Contracting Act.** Requires the State to contract with entities which recognize the urgency of the Year 2000 Problem and are willing to comply with state requests for information on the Year 2000 Problem. Introduced in response to the Department of Information Technology’s testimony before the Committee.

*Status: Vetoed by the Governor.*

**AB 1614 (Lempert) California Internet Tax Freedom Act.** Prohibits the taxation or levy of fees directly on, or in connection with, the Internet, or any interactive computer services, modeled after federal legislation.

*Status: Signed by the Governor.*



**AB 1652 (Sweeney) Re-authorization of the Morgan-Farr-Quackenbush Education Technology Act of 1992.** Extends the date of repeal in current state law addressing procurement and use of technology in classrooms. The guidelines specify that the use of technology must be defined by the needs of pupils. The act also establishes that Education Council for Technology in Learning to coordinate these activities and promote the creation of regional technical assistance programs for schools.  
*Status: Vetoed by the Governor.*

**AB 1653 (Figueroa) The Figueroa-Sweeney Digital Schools Education Technology Grant Act of 1998.** Requires education technology grants to be provided to public schools for grades 4 to 8, and require the Superintendent of Public Instruction to administer the grant application process. This bill, patterned after the Digital High School Education Technology Grant Program of 1997, would implement educational technology in middle and junior high schools across the state in order to expose students to computers and other technology.  
*Status: Held in Senate Appropriations.*

**AB 1761 (Sweeney) California Technology Assistance Project.** Requires the State Department of Education to establish the California Technology Assistance Project in order to provide on a regional basis technical assistance to schools and school districts on the implementation of education technology and work to meet locally defined technology-based needs. Additionally, AB 1761 requires the Department to provide statewide coordination and evaluation of technology programs and resources and advance the use of technology in the curriculum and in the administration of elementary and secondary schools.  
*Status: Signed by the Governor.*

**AB 2482 (Bustamante) High Technology Magnet Schools.** Establishes the High Technology Magnet School Pilot Project to meet the growing need for computer education. Introduced by then-Speaker Bustamante to address the growing “technology gap,” this measure declares that high schools that are eligible to receive assistance under the Federal Elementary and Secondary Education Act of 1965 and meet other requirements can become “high technology magnet schools.”  
*Status: Held in Senate Appropriations.*

**ACR 186 (Alquist) State Personnel Administration and the Year 2000 Problem.** Declares the Year 2000 Problem to be “assigned work of priority or critical nature” for state workers. Suspends Civil Service vacation accumulation restrictions that might impede state agencies from completing their Year 2000 remediation projects by deadline of December 31, 1998.  
*Status: Adopted.*

**SB 715 (Sher) Revisions to the California Environmental Quality Act.** Requires that that the Office of Planning and Research's public assistance and information program that implements the California Environmental Quality Act establishes and maintains a central repository for the collection, storage, retrieval, and dissemination of specified notices provided to the office and to make the notices available through the Internet.

*Status: Vetoed by the Governor.*

**SB 1047 (Sher) Regulatory Implementation of the California Environmental Protection Act.** Increases public awareness on environmental issues by requiring that the full text of the California Environmental Protection Act, as well as any proposed changes to the guidelines be made available to interested persons through the Resources Agency on the Internet.  
*Status: Vetoed by the Governor.*

**SB 1273 (Hurt) State Agency Electronic Mail.** Gives state agencies the authority to provide requested information via electronic mail unless impracticable to do so. This is one in a series of bills to allow the public access to government information over the Internet and to push state agencies to make this information available as soon as practically feasible.  
*Status: Signed by the Governor.*

## Insurance

During the 1997-98 session, Assembly Democrats were committed to ensuring that the public gets the health care it pays for. Throughout the nation, California is considered the leader in dealing with managed care. Nowhere more than in the Assembly Insurance Committee, under the stewardship of its Chair, Assemblywoman Liz Figueroa, was that leadership more evident. The Committee passed bills to alter the existing balance of power in which health maintenance organizations (HMOs) hold all the cards and consumers have to take what they are dealt. Unfortunately, the Governor vetoed many of the most critical reforms, including legislation establishing basic rights for all HMO customers.

In addition, the Committee took seriously its charge to oversee the activities and management of the Department of Insurance. Senate Bill 18 by Senator Herschel Rosenthal attacked a disastrous reduction made to the Department's consumer services divisions by Insurance Commissioner Chuck Quackenbush. Consumer services had been ravaged by cutbacks, but SB 18 shored up the Department's finances by \$10 million, and stepped in to pay off a \$14 million loan the Department obtained from the General Fund. An oversight hearing in March, 1997, exposed critical financial and management problems at the Department and helped lay the groundwork for restoring the Department's ability to do its job of protecting consumers.

In the area of employees' insurance (unemployment, workers' compensation, and disability insurance), the Insurance Committee approved the streamlining of administrative procedures, advanced employment benefits, and stopped anti-worker bills.

Major bills passed by the Assembly include:

**AB 38 (Figueroa) Mothers and Newborns.** Requires HMOs to provide no less than 48 hours of maternity coverage in the event of a normal delivery and no less than 96 hours following a delivery by cesarean section.

*Status: Signed by the Governor.*

**AB 331 (Figueroa) Earthquake Insurance.** Requires the California Earthquake Authority to allow policyholders the option to make installment payments on earthquake insurance.

*Status: Signed by the Governor.*

**AB 489 (Figueroa) Viatical Settlements.** Gives terminally ill people the right to sell their interest in a life insurance policy to a third party. Under current law, some life insurance companies prevent this from happening, leaving the terminally ill without access to much-needed funds. Removes insurance-industry veto, so that those who so choose can use the money from the policy to live out their last days with dignity and independence.

*Status: Signed by the Governor.*

**AB 588 (Figueroa) & AB 649 (Napolitano) Insurance Discrimination/Domestic Violence.**

Assures that victims of domestic violence are not discriminated against by their property and casualty insurers and life insurers based on the fact that they have been victimized.

*Status: Signed by the Governor.*

**AB 794 (Figueroa) HMO Medical Directors.** Assures that the only people within an HMO who can overturn a doctor's decision about health care are other licensed physicians or health care professionals. This would prevent HMOs from using unlicensed people to reverse doctors' decision to improve profitability. Requires reviewing professionals to physically examine patients in appropriate circumstances, rather than just looking at patients' paperwork.

*Status: Vetoed by the Governor.*

**AB 956 (Figueroa) Workers' Compensation.** Increases the allowable workers' compensation benefits payable for partial permanent disability, temporary disability, and dependent widow or widower death benefits.

*Status: Held in the Senate.*

**AB 984 (Davis) Emergency Response Costs.** Requires health care service plans and policies of disability insurance that provide hospital or medical coverage to include full coverage for emergency ambulance service.

*Status: Signed by the Governor.*

**AB 1100 (Thomson and Perata) Mental Health Care.** Requires HMOs to treat mental illness the same way they treat physical illness when the mental illness has a biological basis.

*Status: Vetoed by the Governor.*

**SB 18 (Rosenthal) Prop. 103 Escheat Funds.** Diverts \$14 million in unclaimed Proposition 103 refunds to pay off a loan the Department of Insurance incurred and gives the Department an additional \$10 million over three years to supplement its budget for consumer protection.

*Status: Signed by the Governor.*

***The following bills failed to pass the Committee:***

**AB 660 (Brewer) Workers' Compensation.** Restricts the 10% increase in workers' compensation awards only to that part which is unreasonably delayed or refused. Existing law increases the workers' compensation award by 10% if the award is unreasonably delayed or refused.

**AB 825 (Margett) Workers' Compensation.** Limits the Insurance Commissioner when calculating workers' compensation rates to examining the costs of injuries "predominantly" caused by employment. Replaces existing law that allows the Commissioner to take into account the costs of injuries aggravated or accelerated by employment. Shifts unfunded liability to the state General Fund (i.e., all state taxpayers).

**AB 1454 (House) Workers' Compensation.** Requires policyholders who purchase existing businesses to receive a 1.0 (or very low) experience rating from insurance companies. Reduces the current incentive to employers to maintain employee safety if the owner is planning to sell the business. Reducing incentives to maintain employee safety will cause more worker injuries.

**SB 859 (Lewis) Insurance Rates.** Permits insurers to do an end-run around the rate regulation that the voters put into place when they passed Proposition 103. This is one of a series of bills the insurance industry has backed in recent years to try and erode the consumer protections in current law.

## International Trade & Development

As the economy continued to grow and expand, Assembly Democrats took important steps to ensure the growth continues. Under the leadership of its chair, Assemblywoman Grace Napolitano, the Committee on International Trade and Development – a new standing committee for the 1997-98 session – focused exclusively on California's continued leadership in a global economy and efforts to promote access to foreign markets by the state's diverse small and medium-sized businesses.

As the seventh largest economy in the world and premier exporting state, California's economic vitality is dependent on a strong and growing international trade base. Today, approximately one-out-of-seven jobs in California is dependent upon international commerce and 1.5 million jobs are directly tied to exports.

Given these statistics and the demand for jobs brought about by a burgeoning population, economic restructuring and welfare reform, the Committee is playing a pivotal role in enhancing California's trade performance in three distinct areas:

- Trade policy and program development;
- Legislative oversight of state trade programs to ensure maximum effectiveness; and
- Advocacy on behalf of constituencies, principally small and medium-sized California businesses, which are the backbone of California's economy.

As the body responsible for analyzing trade and trade-related legislation, the Committee sought to promote adoption of innovative programs and services that create jobs and exports in the most promising sectors: high technology, services, and agriculture. Concern for the export development needs of the state's small and medium-sized businesses is also a priority focus.

Operating under the basic theme of "job creation through international trade," the Committee worked to develop comprehensive trade policies and programs that promote the continued "internationalization" of the state's economy. To accomplish this, the Committee continually solicits the perspectives of labor groups, trade promotion organizations and state/local agencies, and it regularly communicates California's trade interests to federal trade policy and promotion agencies and the Congress.

Following are key bills passed by the Assembly this year:

**AB 895 (Napolitano) Technology Export.** Establishes the "Technology Export Market Development Grant Program" to expand foreign market opportunities for small and medium-sized businesses in the ten major industry clusters and create new jobs opportunities. Grant awards for innovative marketing activities are limited to \$25,000 each with an equal amount required of the recipient. Eligible recipients would include: chambers of commerce, world trade centers, industry and trade associations and small/mid-sized businesses.

*Status: Held in Senate Appropriations.*

**AB 896 (Napolitano) Technical Support.** Provides technical support and information to California businesses so they can become suppliers or subcontractors on overseas infrastructure projects such as dams, power plants, airport construction, telecommunications systems, etc. The U.S. Department of Commerce estimates that there will be -- in East Asia alone -- almost \$1.5 trillion in government procurement within the next decade. This bill will help ensure that California's smaller companies can participate successfully in these projects.  
*Status: Signed by the Governor.*

**AB 899 (Napolitano) Economic Development.** Establishes the California Regional Collaboratives Economic Development Program, designed to encourage regional cooperation, reduce red tape, eliminate duplication of effort and foster job creation. Grants would be provided competitively to regional groups for planning purposes and to fund up to 15 regional partnerships. These partnerships would identify industry-wide needs, generate jobs and effectively organize economic development resources.  
*Status: Held in the Senate.*

**AB 901 (Napolitano) California State World Trade Commission: State Strategic Plan for International Trade Promotion.** Requires the California World Trade Commission (the state's leading public/private sector advisory body for trade policy) to develop a Strategic Plan for International Trade Promotion by January 31, 2000. California, the premier exporting state in the nation, faces increased global competition and pressures from our trading partners. With 25% of the gross state product attributed to international commerce, this plan will allow California to deal more effectively with the ramifications of multilateral agreements, trade barriers, increased international competition and emerging trade opportunities.  
*Status: Vetoed by the Governor.*

**AB 1217 (Bustamante) Targeted Tax Area.** Allows the Trade and Commerce Agency to designate a "targeted tax area" in an economically depressed community. The incentives include hiring and sales tax credits, business equipment expensing and operating loss deductions.  
*Status: Signed by the Governor.*

**AB 1508 (Cardoza) Rural Development.** Focuses attention on the export potential of businesses located in rural areas and appropriates \$100,000 from the General Fund to the Office of Export Development (Trade and Commerce Agency) for a series of activities and programs to serve the interests of rural businesses.  
*Status: Vetoed by the Governor.*

**AB 1762 (Ducheny) Overseas Trade Offices.** Directs the Governor to establish a trade and investment office in Manila, Philippines upon an appropriation in the budget. In 1997, California exports to the Philippines totaled \$1 billion – making the Philippines California's 16<sup>th</sup> largest export market.  
*Status: Held in Senate Appropriations.*



**AB 2050 (Ashburn-Bustamante) California International Agricultural Trade Center Initiative.** Creates the California International Trade Center Initiative for the purpose of providing competitive grants (seed money) to establish an international agricultural trade center to serve a designated agricultural region of the state and promote the expansion of global markets for California agricultural commodities.

*Status: Held in Senate Appropriations.*

**AB 2493 (Bustamante) Foreign Marketing** Appropriates \$135,000 from the General Fund to the Department of Food and Agriculture for the purposes of conducting foreign market research, conducting personnel training, and performing other existing duties of the department that promote agricultural exports – a major contributor to the California economy.

*Status: Signed by the Governor..*

## Judiciary

Assembly Democrats have worked during the 1997-98 legislative session to make major reforms to our civil justice system. Many of these reforms to the civil justice system are public policy issues that face Californians at a most personal level.

Under the able leadership of Assemblywoman Martha Escutia, the Assembly Judiciary Committee focused on a number of key issues addressed by the Legislature over the past two years. These included: reinforcing the state's age discrimination laws; helping Californians navigate through difficult child custody and family support issues; dramatically reforming the way the state funds and operates the court system and its state bar; reforming the jury process to make it less inconvenient; providing for greater liability on the part of tobacco companies for the public health problems their products cause; and providing new protections for Californians injured by irresponsible health care decisions made by health maintenance organizations.

In addition, the Assembly Judiciary Committee held important informational hearings. These ranged from an in-depth hearing reviewing the recent decision of the California Supreme Court regarding patients' legal rights in the health care system to an evaluation of the state Constitution's unique religious protection clause.

### **Following are some of the important bills passed by the committee this year:**

**AB 127 (Morrow) Jury Election.** Requires the Judicial Council to conduct a pilot project to streamline the jury selection process and end the inconvenience to individuals who are summoned but not used. The bill allows the Judicial Council to adopt a jury questionnaire process for challenging prospective jurors before they are actually called into the courtroom.  
*Status: Signed by the Governor.*

**AB 157 (Villaraigosa) Breast Feeding.** Allows a mother to breast feed her infant in any public or private location where she and the child are authorized to be present. The bill also sets forth legislative findings and declarations regarding the benefits of breast feeding, the fact few women continue to breast feed beyond eight weeks despite these benefits, and the need to encourage public acceptance of breast feeding.  
*Status: Signed by the Governor.*

**AB 200 (Kuehl) Child Custody.** Ensures that the health, safety, and welfare of children shall be the court's primary concern in determining custody or visitation orders. Requires the court, when granting sole or joint custody to a parent alleged to have a history of abuse or to be a habitual or continual user of controlled substances or alcohol, to state its reasons for making the order.  
*Status: Signed by the Governor.*

**AB 233 (Escutia) Trial Court Funding.** Transfers principal funding responsibility for trial court operations to the state. Equalizes county obligations, so that each county pays the same percentage of trial court costs.

*Status: Signed by the Governor.*

**AB 451 (Havice) Homestead Act Exemptions.** Increases Homestead exemptions by \$35,000 to help senior citizens or people with disabilities protect their homes from the potential of a forced sale in time of economic misfortune.

*Status: Signed by the Governor.*

**AB 420 (Baca) New Judges.** Authorizes statutorily the appointment of 40 new judges to help address court clogging.

*Status: Signed by the Governor.*

**AB 573 (Kuehl) Child Support.** Permits district attorneys to refer child support obligations that are delinquent to the Franchise Tax Board (FTB) for collection. The FTB has proven successes in the collection of child support. FTB hopes to capitalize on those successes and ensure more regular payment of child support to California children.

*Status: Signed by the Governor.*

**AB 594 (Torlakson) Construction Disputes.** Makes a number of clarifying changes to legislation, passed in 1995, designed to encourage speedy resolution of disputes between homeowner associations and developers about alleged construction defects. Makes this dispute resolution process more effective by requiring the participation of every party potentially responsible for construction defects, such as subcontractors, architects and engineers.

*Status: Vetoed by the Governor.*

**AB 669 (Wright) Real Property: Foreclosure.** Strengthens protections under the Home Equity Sales Contracts Act and Mortgage Foreclosure Consultants Act to protect homeowners whose homes are being foreclosed.

*Status: Signed by the Governor.*

**AB 702 (Villaraigosa) Child Support.** Requires financial institutions to match their account holders against a list of past-due child support obligors provided by FTB, and to report to FTB on a quarterly basis the name, address, social security number, and other identifying information for each noncustodial parent who maintains an account at the institution and who owes past due support.

*Status: Signed by the Governor.*

**AB 829 (Thomson) Grand Jury Reform.** Requires grand juries to meet with representatives of targeted agencies with their draft findings to correct mistakes prior to issuing a final report and that grand juries be given instruction in investigative techniques.

*Status: Signed by the Governor.*

**AB 960 (Wright) Child Support.** Protects obligors from being held in contempt or subject to criminal prosecution for nonpayment of support when the support has been in fact withheld from their wages, but, through no fault of their own, failed to reach the obligee.

*Status: Signed by the Governor.*

**AB 1110 (Escutia) Commission on Judicial Performance.** Provides that a dissenting opinion in an appellate case that does not adhere to precedent set by a higher court shall not be the sole basis for imposing discipline on a judge.

*Status: Vetoed by the Governor.*

**AB 1022 (Wright) Rapists: Parental Rights.** Authorizes the mother of a child who was conceived as a result of a rape to bring an action to terminate the man's parental rights with regard to that child if he was convicted of the rape.

*Status: Signed by the Governor*

**AB 1384 (Havice) Controlled Substances: Unlawful Detainer.** Creates a three-year pilot project authorizing a new type of unlawful detainer action against a person who engages in drug-related activity on rental premises.

*Status: Signed by the Governor.*

**AB 1395 (Escutia) Child Support.** Requires the District Attorney's child support office to refer delinquent child support cases to the Franchise Tax Board for collection when the payment is 90 days past due.

*Status: Signed by the Governor.*

**AB 1438 (Escutia) Trial Court Employee Rights.** Provides key protections for trial court employees, protecting their right to engage in collective bargaining.

*Status: Signed by the Governor.*

**AB 1526 (Escutia) Counsel for Minors in Custody Proceedings.** Makes clear that counsel appointed to represent a child in a custody or visitation proceeding should gather and present facts to the court that bear on the interests of the child, including the child's wishes. The bill allows appointed counsel to disclose the child's wishes if it is appropriate.

*Status: Signed by the Governor.*

**AB 1603 (Bustamante) Product Liability: Tobacco.** Removes any real or claimed legal barrier to the State Attorney General filing suit against tobacco companies to recover state-paid medical costs of treating smokers.

*Status: Signed by the Governor.*

**AB 1609 (Papan) Silicone Breast Implants.** Revives, for a period of one year, every cause of action for personal injury or death caused by the effects of silicone gel or liquid injections that currently are barred by applicable statutes of limitation.

*Status: Vetoed by the Governor.*

**AB 1617 (Baca) Free Exercise of Religion.** Prohibits the state or its political subdivisions from substantially burdening a person's exercise of religion. Provides an exception if the governmental entity demonstrates that application of the burden to the person is in furtherance of a compelling governmental interest and is the least restrictive means of furthering that interest. This bill is patterned after the federal Religious Freedom Restoration

Act of 1993, recently found unconstitutional and is intended to strengthen the free exercise of religion.

*Status: Vetoed by the Governor.*

**AB 1643 (Escutia) Age Discrimination.** Reaffirms California's strong public policy against age discrimination in employment by clarifying that the Legislature never intended to afford less protection to victims of age discrimination than to victims of race, sex and other discrimination and strikes down a recent appellate court case that ruled otherwise.

*Status: Vetoed by the Governor.*

**AB 1669 (Hertzberg) State Bar of California.** Restores the authority of the State Bar of California to collect dues from its members. The bill also restructures the functions of the State Bar, and creates a bifurcated bar, with some functions paid for from mandatory dues and other functions funded solely by voluntary contributions. The bill imposes limits on the Bar's lobbying activities.

*Status: Held in the Senate.*

**AB 1884 (Cedillo) Child Custody: English Proficiency.** Declares the intent of the Legislature to ensure that any person who lacks proficiency in English and who is a party in a child custody case have a qualified interpreter present during the proceedings. AB 1884 establishes a pilot project in at least two counties, one of which must be L.A.

*Status: Signed by the Governor.*

**AB 1961 (Aroner) Child Support: Fair Hearings.** Provides custodial and noncustodial parents with the right to a state fair hearing to address grievances with the district attorney concerning child support collections. The hearing rights created under this bill are the same rights to a fair hearing afforded to an applicant for or recipient of welfare who has grievances about the county's handling of his or her application or payment of welfare.

*Status: Vetoed by the Governor.*

**AB 2134 (Escutia) Telephone Consumer Privacy Rights.** Requires phone companies to notify their customers about the privacy rights of telephone consumers under state and federal law. The bill also clarifies that consumers defrauded by out-of-county telemarketers can bring suit against the fraudulent telemarketer in the consumer's home county.

*Status: Signed by the Governor.*

**AB 2196 (Washington) Adoption: Siblings.** Enacts procedures to facilitate postadoptive sibling contact for siblings who are adopted.

*Status: Signed by the Governor.*

**AB 2207 (Escutia) Family Law Information Centers.** Creates a pilot project to establish family law information centers (FLIC) in the superior court of three counties to provide needed factual information to family court litigants. The FLICs provide low-income litigants with a “roadmap” to better enable them to maneuver through the increasingly complicated family court system.

*Status: Signed by the Governor.*

**AB 2436 (Figueroa) Health Care Service Plans: Liability.** Provides that a health care service plan shall be directly accountable to patients to ensure that health care providers, rather than the health plans, are in charge of patient care. The bill also imposes on health plans the duty to exercise ordinary care when making health care treatment decisions, and would make the health plan liable for harm to an enrollee caused by its failure to exercise ordinary care.

*Status: Held in the Senate.*

**AB 2527 (Cardenas) Sale of Health Care Facilities.** Expands existing laws governing the sale or lease of a nonprofit health facility by requiring the Attorney General to consent to a transfer to another public benefit corporation and provide public notice of the sale or lease.

*Status: Vetoed by the Governor.*

**AB 2551 (Migden) Jury Fees.** Increases daily jury service fees and requires up to \$50 per day reimbursement for dependent care expenses incurred as a result of jury service. The bill eliminates jury service fees in the first day of service, but beginning January 1, 1999, increases juror fees in civil and criminal cases to \$13 for each day's attendance, and to \$16 per day under the same conditions beginning July 1, 2000.

*Status: Vetoed by the Governor.*

**AB 2702 (Aroner) Small Claims Court: Civil Rights.** Provides that claims brought under the Unruh Civil Rights Act may be brought in small claims court if the amount of the damages sought in the action does not exceed the current jurisdictional limit of \$5,000.

*Status: Signed by the Governor.*

**SB 21 (Lockyer) Trial Court Funding.** Appropriates \$290.5 million in fine and forfeiture revenues from the General Fund to the Trial Court Trust Fund for support of the trial courts during the current fiscal year -- preventing the forced closure of many of the state's courts.

*Status: Signed by the Governor.*

**SB 67 (Kopp) and SB 340 (Sher) Tobacco Immunity.** Clarifies that the immunity provided under Civil Code Section 1714.45 was not intended to apply to product liability actions by parties such as victims of second-hand smoke or parties suing tobacco companies and tobacco research organizations for damages caused by tobacco products. These bills, along with

AB 1603 (Bustamante), constitute historic new protections for the health of all Californians, and also will bring fair reimbursement to the state for the monumental health care costs California's taxpayers have incurred due to tobacco-related illnesses.

*Status: Signed by the Governor.*

**SB 262 (Burton) Invasion of Privacy.** Seeks to discourage invasive paparazzi-like conduct by expanding on the common law tort of intrusion and creating a statutory cause of action for invasion of privacy and constructive invasion of privacy. Damages for such invasions include three times the amount of any general and special damages caused by the invasion, punitive damages, and disgorgement of any proceeds or other consideration received, if the invasion was committed for a commercial purpose.

*Status: Signed by the Governor.*

**SB 955 (Rosenthal) Health Care Coverage: Enforcement Authority.** Enhances Department of Corporations' (DOC) enforcement authority over health care service plans under the Knox-Keene Health Care Service Plan Act. The bill allows DOC to issue a cease-and-desist order against any person violating the Act and clarifies DOC's authority to seek ancillary or equitable relief in superior court and confirms the court's jurisdiction to award such relief.

*Status: Signed by the Governor.*

**SB 1296 (Lockyer) SLAPP Suits.** Clarifies that constitutionally protected conduct (the rights of free speech and of petition) is unequivocally protected by the statute, and makes clear that



the statute applies to cross-complaints and petitions, as well as to complaints. Strategic Lawsuits Against Public Participation, or SLAPP suits, are civil lawsuits aimed at preventing citizens from exercising their political rights or punishing those who have done so.

*Status: Signed by the Governor.*

**SB 1410 (Burton) Child Support: Incentive Payments.** Changes the formula for awarding incentives to county child support enforcement programs to improve the state's child support collection record. The bill implements a performance-based child support incentive system which focuses on a county's cost-effectiveness and administrative effort in the operation of the child support program and requires poorer performing counties to accept technical assistance from the Department of Social Services in order to receive any state child support incentive.

*Status: Signed by the Governor.*

**SB 1735 (Polanco) Proposition 209: Governmental Outreach.** Clarifies that Proposition 209's prohibition on engaging in discrimination or granting preferential treatment does not prevent governmental agencies from continuing to engage in outreach programs, including focused outreach and recruitment efforts toward underrepresented groups.

*Status: Vetoed by the Governor.*

**SB 2034 (Lockyer) Criminal Street Gangs: Damages for Nuisances.** Authorizes the Attorney General, whenever an injunction is issued to abate gang activity constituting a nuisance, to bring an action for money damages on behalf of the community or neighborhood injured by the nuisance.

*Status: Signed by the Governor.*

**SB 2176 (Lockyer) Civil Rights Enforcement Unit.** Strengthens the ability of the Attorney General's office to enforce the state's anti-discrimination laws. The bill requires the Civil Rights Enforcement Unit to investigate and prosecute complaints of discrimination in violation of any statute, regulation, or constitutional provision.

*Status: Vetoed by the Governor.*

***The following bills failed to pass the Committee:***

**AB 129 (Morrow) Abortion: Informed Consent.** Enacts the Woman's Right to Know Act, instituting a 24-hour waiting period for an abortion and would have made it a misdemeanor to perform or attempt to perform an abortion in violation of the requirements of this bill.

**AB 615 (Margett) Severe Limitation on Contract Damages.** Limits the total amount of recovery available for breach of a non-written agreement to \$5000, the maximum award available in small claims court. It would have denied an individual who proves that a defendant breached a valid contract the opportunity to recover all foreseeable damages caused by the breach.

**AB 657 (Baugh) Limitation of Remedies for Wrongful Termination.** Limits the amount of damages for loss of future earnings to the amount of wages and benefits the employee could

reasonably have been expected to earn during the five-year period following termination. Currently there is no such arbitrary block on the remedies available to employees for such wrongful termination.

**AB 800 (Margett) Same-Gender Marriages.** Prohibits any court or agency in this state from respecting or recognizing a marital relationship between persons of the same sex which is validly contracted in another state and treated as a marriage in that state.

**AB 912 (House) Attack on Employment Discrimination Remedies.** Exempts the Workers' Compensation Act from the protections of the Fair Employment and Housing Act, denying workers who are disabled on the job the same discrimination remedies provided to workers whose disabilities are not work-related.

**AB 1171 (Kaloogian) Damper on Wrongful Termination Suits.** Restricts significantly the ability of employees who allege that they were wrongfully terminated to file suit and recover damages. The bill also would have prohibited the bringing of any action for wrongful termination if the terms of the employment were "at will."

**AB 1176 (Pringle) Liability in Auto Accidents.** Prohibits a person from bringing an action seeking general damages for accidental injury resulting from the use, operation, or maintenance of a motor vehicle until the court determines that the plaintiff has suffered a "serious injury," meaning death, serious impairment of bodily functions, or permanent serious disfigurement.

**AB 1371 (Morrow) Restriction on Punitive Damages.** Makes a number of significant changes to the law governing punitive damages awards, including: (1) requiring that the amount of punitive damages be decided by judges rather than juries; (2) prohibiting the defendant's financial condition from being considered in determining the amount of the damages award; and (3) requiring that the amount of damages be reduced by the extent to which it would unfairly duplicate other punitive damages awards paid by the defendant for the same conduct.

**AB 1700 (Richter) Proposition 209 Implementation.** Allegedly enacts the requirements of Proposition 209 that prohibits preferential treatment to any individual or group on the basis of race, sex, color, ethnicity, or national origin in public employment, public education, or public contracting. The bill would have eliminated or curtailed approximately 30 programs that fall into the categories of outreach or recruitment, or are attempts to provide opportunities for historically disadvantaged or excluded minority groups, but in no way impose quotas or exclude anyone based on race, ethnicity or gender.

**AB 1794 (Runner) Division of Community Property: Domestic Violence Cases.** Significantly alters California's no-fault divorce laws by bringing the concept of "fault" back into the community property division and distribution process. Authorized the court in a proceeding for dissolution of marriage or legal separation, to deviate from the traditional 50-50 scheme for division of community property.

**AB 1982 (Campbell) Immunity from Liability: Welfare Payments.** Provides immunity from liability for injuries or damages arising from a welfare applicant's use of a vehicle, including the applicant's failure to comply with vehicle insurance, registration or licensure requirements, when the applicant uses lump-sum welfare payments to pay for vehicle related expenses. This is a "fear of liability" bill which has no basis in fact or law since. The Tort Claims Act already provides that a public entity is not liable for tortious conduct unless the liability is imposed by statute.

**SB 1459 (Haynes) Unaccredited Law Schools.** Attempts to eliminate theoretical duplication of regulatory oversight of unaccredited law schools by providing the Bureau of Private Postsecondary and Vocational Education (not in conjunction with the Committee of Bar Examiners, as is done currently) with the sole responsibility for overseeing unaccredited law schools. This bill, arguably, would conflict with the interests of law students which would appear to be best protected by having at least some of the oversight of their education being conducted by those with legal training and experience.

## Labor & Employment

During the 1997-98 legislative session, Assembly Democrats put in motion several key labor and employment measures to protect California's workers.

Under the direction of Labor Committee Chair Richard Floyd, the Committee on Labor and Employment addressed many key issues, including the eight-hour workday, a mainstay of protection for over 80 years in California. Without the eight-hour limitation, many employers would lengthen the workday to twelve or more hours, resulting in extreme fatigue and stress to workers.

Assembly Democrats and the Labor and Employment Committee also worked towards protection of daily overtime pay. Without such protection, California workers could take a substantial pay cut for current recipients of daily overtime and find increased risk of accidents and injury that have been linked to long work hours.

The protection of the prevailing wage, another key issue, was the subject of considerable discussion. The requirement to pay prevailing wages is intended to protect employees on public works projects by ensuring that they receive at least the general prevailing rate of per diem wages for their work.

The Committee also worked on efforts to increase the minimum wage for California workers.

The Committee also heard several significant bills to limit discrimination in the workplace. They include protection against genetic discrimination and discrimination based on sexual orientation, race and age.

Finally, the committee worked to protect the health and safety of all of California's workers through legislating stiffer fines to employers and supervisors who willfully violate CalOSHA standards.

Some of the key bills passed by the Assembly this session include:

**AB 15 (Knox) Sick Leave: Children.** Requires an employer who provides sick leave for employees to permit an employee to use 1/2 of the employee's annual sick leave to attend to the illness of a child of the employee.

*Status: Vetoed by the Governor.*

**AB 140 (Baca) Cal-OSHA: Safety Standards for Traffic Control.** Establishes an advisory committee to study recommendations on the necessity of safety standards for the training of flag persons in traffic control situations during construction work.

*Status: Vetoed by the Governor.*

**AB 257 (Villaraigosa) Fair Employment and Housing.** Adds sexual orientation to the list of “protected classes” (i.e., race, religion, sex, marital status, etc.) under the Fair Employment and Housing Act (FEHA), thereby expressly prohibiting employment discrimination and housing discrimination based on sexual orientation.

*Status: Vetoed by the Governor.*

**AB 310 (Kuehl) Harassment.** Prohibits an agent or supervisor from harassing any employee, as specified, extends the prohibition of harassment to include a person who provides services under contract, as defined, prohibits genetic testing, and requires an employer to reasonably accommodate a pregnant female.

*Status: Vetoed by the Governor.*

**AB 480 (Knox) Unpaid Sick Leave.** Requires an employer who provides a paid sick leave policy to permit an employee to use the sick leave policy to attend to the illness of a child, parent, or spouse.

*Status: Failed in the Senate.*

**AB 744 (Washington) Employment: Children.** Prohibits the employment of infants and children, as specified, on a motion picture set unless specified conditions are satisfied.

*Status: Signed by the Governor.*

**AB 1015 (Knox) Occupational Safety and Health.** Increases the penalties for a willful violation of an occupational safety or health standard or order that causes death or permanent or prolonged impairment.

*Status: Vetoed by the Governor.*

**AB 1363 (Machado) Ball Boys and Girls.** Exempts minors 14 and 15 years of age from statutory limits on working hours to perform sports-attending services such as being a ball boy or girl for a professional baseball team.

*Status: Signed by the Governor.*

**AB 1643 (Escutia) Age Discrimination.** Declares the Legislature's rejection of the opinion in Marks v. Loral Corp., relating to age discrimination in employment, and declares the intent of the Legislature that the use of salary as the basis for differentiating between employees when terminating employment may be found to constitute age discrimination.

*Status: Vetoed by the Governor.*

**AB 1870 (Kuehl) Family Leave.** Allows an employee to take leave to care for a child of the employee who is unable to attend school or day care for health.

*Status: Vetoed by the Governor.*

**ACR 17 (Bustamante) Prevailing Wage Rate Formula.** Declares that actions by the Department of Industrial Relations to change the method of determining prevailing wages on public works projects are contrary to its statutory authority and the intent of the Legislature.

*Status: Adopted.*

**SB 235 (Solis) Employment.** Identifies more clearly an employer as defined under FEHA.

*Status: Vetoed by the Governor.*

**SB 680 (Solis) Employment: Overtime.** A companion piece to AB 15 (Knox) and mirrors the language of the Assembly version.

*Status: Vetoed by the Governor.*

***This bill failed to pass the Committee:***

**AB 2139 (McClintock) Labor Organizations: Right to Work Act.** Enacts the Right to Work Act and declares it to be the public policy of the state that the right to work shall not be subject to undue restraint or coercion or infringed or restricted based upon membership in, affiliation with, or financial support of a defined labor organization, thereby eroding the ability of labor unions to represent their members.



## Local Government

During the recession of the 1990s, Governor Wilson successfully shifted property taxes from cities, counties, and special districts to the state, using the schools as a financial intermediary. The property tax shift had the effect of increasing the state's General Fund, because the increased amount of property taxes going to schools reduced the amount of state General Fund required to be provided by the state to the schools in accordance with Proposition 98.

Even though the recession is over, the annual shift is continuing, transferring about \$3.4 billion per year, or about 17%, of total property tax revenues. This tax shift has reduced the amount of money available for local police and sheriffs, fire services, park services, libraries, senior programs, domestic violence programs, children's health care, rape crisis centers, positive programs for youth, and other important local programs.

Assembly Democrats began a three-pronged legislative effort toward reversing the property tax shift. Under the strong leadership of its chair, Assemblyman Mike Sweeney, the Local Government Committee moved a series of bills aimed at creating an increased and stable funding source for local cities, counties and special districts.

On another front, the Committee was forced to deal with implementation of Proposition 218 (the Right to Vote on Taxes and Assessments Initiative), which was enacted by the voters in November 1996. The committee and its staff spent a considerable amount of time on SB 919 (Rainey). This consensus bill established uniform procedures to carry out the proposition. The bill was signed by the Governor on July 1, 1997.

The principal effort of the Committee was to restore the fiscal health of local governments from the state-local restructuring that occurred during the recession of the early 1990s.

The largest adverse financial impact on local government during the recession was the 1992-94 shift of about 17 percent of property taxes from local governments to the state. To reverse this shift, members of the Legislature had a three-pronged effort during this two-year session: (1) legislation: AB 95 (Sweeney-Aguiar) and SB 880 (Craven), (2) a constitutional amendment: ACA 4 (Aguiar-Sweeney), and (3) an effort to begin the reversal of the shift via the annual state budget.

From a financial perspective, there were improvements in local government finance, such as for court financing, but the property tax shift was not reversed.

Following are some of the key bills passed by the Assembly this year:

**AB 3 (Baca) Local Agency Military Base Recovery Act.** Increases the number of closed military bases that are permitted to offer special tax advantages and other benefits to businesses that locate at the base.

*Status: Signed by the Governor.*

**AB 95 (Sweeney and Aguiar) Reversing the Property Tax Shift.** States the intent of the Legislature to reduce to zero, over a ten-year period, the amount of property taxes shifted to the state and caps the amount of the shift to 1997-98 amounts. In reversing the shift, the bill would protect school funding.

*Status: Held in the Senate.*

**AB 242 (Honda) Emergency Shelters.** Allows the continued use of state armories as emergency homeless shelters, as El Niño threatens higher-than-normal rainfall.

*Status: Signed by the Governor.*

**AB 411 (Wayne) Beach Sanitation: Testing.** Require periodic testing of the waters off public, coastal beaches. If a beach is determined to be contaminated, certain actions would be required, including beach closures where necessary.

*Status: Signed by the Governor.*

**AB 1224 (Thomson) Failing Mello-Roos Districts.** Establishes provisions to assist financially failing Mello-Roos districts, areas where taxes are imposed by a local agency with a two-thirds vote by property owners to provide various services for the district such as schools, utilities, etc.

*Status: Signed by the Governor.*

**AB 1414 (Cardenas) Detachment of Part of a City to Create a New City.** Allows voters of a city of more than two million residents to vote to detach a part of the city. It would take a 2/3 vote of the city's voters to approve the detachment.

*Status: Held in the Senate.*

**AB 1484 (Hertzberg) Commission on Local Governance for the 21st Century.** Creates a commission to make recommendations on statutes, policies, and practices affecting the organization of governmental agencies and the process of changing governmental boundaries.

*Status: Signed by the Governor.*

**AB 1485 (Scott) San Marino High School: Proposed Water Storage Facility.** Prohibits construction of a water storage facility up-hill from San Marino High School until the state's Division of Safety of Dams has determined that the facility will meet dam safety requirements.

*Status: Signed by the Governor.*

**AB 1527 (Brown) Undersized Parcels.** Allows the county to require consolidation of adjacent, undersized parcels owned by the same owner when the owner proposes to develop the property.

*Status: Signed by the Governor.*

**AB 1659 (Richter) Trial Costs.** Requires the state to reimburse any county with a population of less than 300,000 for all costs incurred by the county in connection with a homicide trial involving the killing of a peace officer in the line of duty.

*Status: Failed in Senate Appropriations Committee.*

**AB 1681 (Sweeney) Fingerprinting Technologies.** Allows Automated Fingerprint Identification Fund revenues to be used for the purchase and use of new technologies, facilities, and tools relating to the booking process including digital photographic equipment.

*Status: Signed by the Governor.*

**AB 1782 (Strom-Martin) Allocation of Property Taxes under the Teeter Plan.** Provides that the property tax secured roll may include the supplemental tax roll, for the purposes of the Teeter Plan's method of allocating property taxes.

*Status: Signed by the Governor.*

**AB 1835 (Torlakson) Incentives to Businesses to Relocate.** Provides that no local agency may offer a "development incentive" to a retail business to relocate if the relocation would result in the loss to the city where the business is located, or to the county if the business is located in an unincorporated area, of more than 10% of the city's sales tax revenue, or \$250,000, whichever is less.

*Status: Failed in the Senate Local Government Committee.*

**AB 1886 (Thompson) Public Library: Videos.** Requires public libraries to adopt a policy regarding access to videotapes by minors.

*Status: Signed by the Governor.*

**AB 1946 (Papan) Leased Vehicles: Allocation of Sales Tax.** Specifies that the Bradley-Burns use tax collected on the lease of a vehicle by a large volume leasing company will be allocated to the city or county where the leasing company is located rather than to the county sales tax pool of the county where the lessee is located.

*Status: Signed by the Governor.*

**AB 2007 (Torlakson) Local Government.** Appropriates \$2 million from the General Fund to the Governor's Office of Planning and Research (OPR) for grants to local agencies for streamlining and efficiency studies that would result in local government collaboration, including, but not limited to, consolidations, annexations, joint powers authorities (JPAs), and shared administration between agencies.

*Status: Failed in the Senate Appropriations Committee.*

**AB 2055 (Gallegos) Regulation of Sexually Oriented Businesses.** Clarifies local government authority and states the intent of the Legislature with regards to regulation of adult or sexually oriented businesses.

*Status: Signed by the Governor.*

**AB 2147 (Thompson) Revenue Neutrality for a County on the Creation of a New City.**

Provides that it is the intent of the Legislature to revise the current requirement that incorporations of new cities be revenue neutral for the county.

*Status: Failed in Senate Local Government Committee.*

**AB 2510 (Strom-Martin) Flood Disaster Assistance.** Under the Natural Disaster Assistance Act, increases the state share from 75% to 100% of the nonfederal eligible costs to repair local government facilities damaged by the winter storms and flooding that occurred from February 1, 1998, to April 30, 1998, inclusive, as specified in agreements between California and the United States for federal financial assistance.

*Status: Signed by the Governor.*

**AB 2543 (Torlakson) Special District Reapportionment.** Requires each special district that is required by its authorizing act to adjust division boundaries after each decennial federal census to adjust the boundaries of any division so that the divisions are, as far as practicable, equal in population and in compliance with applicable provisions of the Federal Voting Rights Act.

*Status: Signed by the Governor.*

**AB 2611 (Kuehl) Geologic Hazard Abatement District: Dissolution.** Specifies procedures for the annexation of territory to, and the detachment of territory from, Geologic Hazard Abatement Districts and provides for the dissolution of such districts.

*Status: Signed by the Governor.*

**AB 2X (Strom-Martin) Disaster Relief.** Increases the state's share of disaster relief for the early 1997 flood, thereby reducing the local share to zero.

*Status: Signed by the Governor.*

**ACA 10 (Runner) Sales Tax Sharing.** Allows local agencies to enter into sales tax sharing agreements with other local agencies.

*Status: Signed by the Governor.*

**HR 58 (Sweeney) Gasoline Prices.** Requests that the California Attorney General (AG), in cooperation with the United States Attorney General, United States Secretary of Energy, and the Federal Trade Commission (FTC), investigate marketing practices in the oil industry and in the retail gasoline marketplace to determine whether anti-competitive, red-lining, or predatory elements exist.

*Status: Adopted by the Assembly.*

**SB 14 (Polanco) Leafblowers.** Establishes limitations on the authority of local governments to regulate the use of leaf blowers.

*Status: Failed in the Senate.*

**SB 303 (Burton) Reallocation of the Property Tax Shift.** Specifies that if the property tax shift provides more than the “basic aid” amount to schools, any amounts in excess of \$4 million would be returned to the county, city, and special districts, less 14 percent for schools.  
*Status: Vetoed by the Governor.*

**SB 451 (Watson) General Plans: Location of Businesses using Hazardous Materials.** Requires city and county general plans to designate the general location of businesses that use in excess of certain quantities of hazardous materials to assure that there is not an over concentration of such businesses near schools and residential communities.  
*Status: Vetoed by the Governor.*

**SB 538 (Greene) Employment of Displaced Civilian Federal Firefighters.** Allows local fire protection agencies to give hiring preferences to terminated civilian federal firefighters who have lost employment as a result of the closure of a military base.  
*Status: Signed by the Governor.*

**SB 566 (Thompson) Capital Investment Incentive Program.** Allows local governments to rebate a portion of property tax revenues received from large manufacturers to those same businesses which elect to locate in their jurisdiction.  
*Status: Signed by the Governor.*

**SB 919 (Rainey) Proposition 218 Implementation.** Implements Proposition 218, the Right to Vote on Taxes initiative.  
*Status: Signed by the Governor.*

**SB 1100 (Solis) Library Funding.** Allows a local library to request a waiver from the State Librarian in order to continue to receive state library funding if the local library’s funds are reduced as a result of Proposition 218 (the Right to Vote on Taxes initiative).  
*Status: Signed by the Governor.*

**SB 1184 (Thompson) Consolidation of Economic Development Funds.** Merges the California Infrastructure and Economic Development Bank with the Bergeson-Peace California Economic Development and Financing Authority under one roof within the Trade and Commerce Agency.  
*Status: Signed by the Governor.*

**SB 1498 (Karnette) Public Cemetery Districts.** Authorizes public cemetery districts to establish and operate facilities for the placement of cremated human remains in above-ground structures.  
*Status: Signed by the Governor.*

**SB 1676 (Kopp) Accuracy of Parking Meters.** Specifies that a county sealer of weights and measures may test and certify the accuracy of all parking meters within the county.  
*Status: Signed by the Governor.*

**SB 1860 (Costa) Public Contracts: Bid Amounts.** Raises the competitive bid threshold requirement for certain specified special district contracts for construction, repair, or improvement projects.

*Status: Signed by the Governor.*

**SB 1885 (Ayala) Metropolitan Water District of Southern California: Board of Directors.** Reduces the size of the board of directors of the Metropolitan Water District (MWD).

*Status: Signed by the Governor.*

*This bill failed to pass the Committee:*

**AB 2457 (Campbell) Correctional Facilities near Military Installations.** Freezes the construction, reprogramming, expansion, or improvement of correctional facilities within one mile of a closing military installation until the federal government has made an official decision on the future uses of the base.

## Natural Resources

After two years of Republican control of the Assembly, Assembly Democrats reversed course and began to move California back to where an overwhelming majority of Californians want it: on the path of greater environmental protection for its air, its water and its natural resources.

Under the strong leadership of its chair, Assemblywoman Debra Bowen, the Assembly Natural Resources Committee made its top priorities the health of its most vulnerable citizens, children and the poor, and moved to undo years of neglect to our coast.

For too long, potential environmental health problems have been keyed to healthy adults, those most able to withstand poor air quality, toxins in the environment and other environmental problems associated with human health. The committee took steps to strengthen environmental standards and protect children.

Many reports this year highlighted the declining coastal resource: the disappearance of many kinds of fish; people getting sick from swimming in our bays and off our beaches; and the lack of information available to the public about ocean pollution. Upon his election as Speaker, Cruz Bustamante immediately moved to replace the Pringle appointees to the Coastal Commission with environmentally sensitive commissioners. The Committee passed a number of bills to address serious concerns about a resource that provides California with billions of dollars in revenues each year, and Californians with tens of thousands of jobs.

Unfortunately, with the Governorship still in Republican hands, many of the most important environmental bills were vetoed.

Some of the key bills passed by the Assembly this session include:

**AB 93 (Lempert) Coastal Resources: Coastal Access.** Prohibits people or public agencies from converting coastal accessways to private or non-recreational use except in specified circumstances. Allows property owners or public entities sued by people who try to block public use of property to present claims to the state for reasonable attorney's fees.  
*Status: Vetoed by the Governor.*

**AB 117 (Escutia) Solid Waste: Tire Fees.** Extends the 25-cent per tire fee paid by consumers when they buy new tires from 6/30/99 to 1/1/01. The money raised by the fee, about \$4.5 million a year, goes to cleanup waste tire piles and to develop productive end use markets for waste tires.  
*Status: Signed by the Governor.*

**AB 228 (Migden) Solid Waste: Tires.** Adds abandonment of tires to the circumstances under which a person may be convicted of illegal tire dumping and allows local governments to exercise the California Integrated Waste Management Board's (CIWMB) waste tire pile enforcement authority.

*Status: Signed by the Governor.*

**AB 241 (Lempert) Coastal Wetlands.** Contains \$6.259 million for the Governor's wetlands program and safeguards to protect coastal wetlands. Creates the Southern California Wetlands Clearinghouse, a cooperative between federal, state and local agencies, for regulatory and planning authority over the use of coastal wetlands, and a public-private organization to bring public and private parties together for the protection of wetlands. Requires the San Francisco Bay Conservation and development Commission to work with the Coastal Conservancy and others to establish a San Francisco Bay Wetlands Mitigation Bank pilot program.

*Status: Vetoed by the Governor.*

**AB 468 (Wayne) Beverage Containers.** Extends certain key provisions of California's bottle bill program (the most successful recycling program in the nation, according to a study conducted for the federal Environmental Protection Administration).

*Status: Vetoed by the Governor.*

**AB 667 (Lempert) Inland Oil Spills.** Expands the Oil Spill Prevention and Response Act, which deals with ocean oil spills to oil spills in inland waters.

*Status: Held in the Senate.*

**AB 705 (Strom-Martin) State Agency Recycling.** Encourages greater recycling efforts by state agencies to match efforts made by local communities and requires state agencies to purchase recycled goods if they can be purchased at the same or at lower costs than non-recycled goods.

*Status: Vetoed by the Governor.*

**AB 964 (Bowen) Solid Waste: Tires.** Allows the California Integrated Waste Management Board (CIWMB) to enter onto private property for purposes of remedying illegal tire piles, but only after the CIWMB has obtained an order setting liability and finds that there is a significant threat to public health or the environment.

*Status: Vetoed by the Governor.*

**AB 968 (Knox) Air Pollution: Fine Particles Monitoring Program.** Requires the Air Resources Board to conduct a specific program to monitor air pollution particles as small as 2.5 microns in diameter (current law requires monitoring for 10 microns). \$784,000 exists in this year's budget to fund this program.

*Status: Signed by the Governor.*



**AB 1190 (Torlakson) Hazardous Materials Release.** Authorizes a county officer to subpoena and interview people involved in a hazardous materials release or threatened release and requires the county officer to report to the board of supervisors those steps that should be taken to prevent a repeat of the release or threatened release.

*Status: Vetoed by the Governor.*

**AB 1581 (Keeley) Ocean Resource Management.** Enacts the California Ocean Resources Management Act of 1998 and establishes the Coastal Operations and Strategy Team. Requires the strategy team to prepare and submit to the Legislature a report describing the action steps that are necessary to authorize and implement a coastal management plan, containing specific recommendations.

*Status: Signed by the Governor.*

**AB 1671 (Keeley) El Nino.** Transfers \$7 million from the General Fund to the Fish and Game Preservation Fund to compensate for reductions in fishing taxes and fees caused by El Nino.

*Status: Signed by the Governor.*

**AB 1956 (Knox) Coastal Development.** Gives the executive director authority to initiate an action to record a notice of a violation of the Act on the title of the offending property. The notice is given after exhausting all existing methods of resolving the issue. This helps to avoid costly litigation when a property owner refuses to resolve outstanding Coastal Act violations.

*Status: Vetoed by the Governor.*

**AB 1962 (Kuehl) Coastal Resources: Coastal Development Permits: Independent Reviews.** Requires an applicant for a coastal development permit from the Coastal Commission to contract, in certain circumstances, with an independent expert, when the Commission determines that independent scientific or technical review of the proposed development is necessary.

*Status: Vetoed by the Governor.*

**AB 2237 (Escutia) Environmental Justice.** Requires specified environmental agencies to consider disproportionate human health and environmental effects, as well as funding trends, when awarding specified environmental loans and grants.

*Status: Vetoed by the Governor.*

**AB 2397 (Bowen) Environmental Quality Waste Disposal Facilities.** Ensures that federal agencies are "persons" for purposes of the California Environmental Quality Act (CEQA) to the extent allowed under federal law to allow toxic waste sites to be cleaned up to a higher level.

*Status: Signed by the Governor.*

**SB 181 (Kopp) CEQA Exemption for Proposed San Francisco Giants Ballpark:** Exempts from CEQA the relocation of occupants from property intended to be used for the proposed

Giants ballpark in San Francisco, while protecting the rights of those occupants to challenge or appeal the relocation.

*Status: Signed by the Governor.*

**SB 499 (Alpert) Coastal Nonpoint Source Pollution.** Directs the State Water Resources Control Board and the Coastal Commission to develop a coordinated strategy to control and inform the public about nonpoint source water pollution.

*Status: Vetoed by the Governor.*

**SB 673 (Karnette) Contaminated Coastal Sediments.** Requires and finances the preparation of a long-term management plan for contaminated sediments in coastal waters adjacent to Los Angeles County. A broad-based effort to deal with the dredging and disposal of contaminated sediments is underway. Authorizes and finances the state's participation in that effort.

*Status: Signed by the Governor.*

**SB 715 (Sher) Environmental Quality.** Requires any change to a certified regulatory program under the California Environmental Quality Act (CEQA) that could affect the program's compliance with the qualification for certification to be submitted to the Secretary of the Resources Agency.

*Status: Vetoed by the Governor.*

**SB 1113 (Solis) Consideration of Environmental Impact on Minority and Low-income Populations.** Requires that the California Environmental Quality Act (CEQA) Guidelines be revised to incorporate consideration of disproportionate effects of projects on minority and low-income populations. Makes CEQA consistent with federal policies relative to disproportionately high and adverse environmental effects on minority and low-income populations.

*Status: Vetoed by the Governor.*

**SB 1190 (Hayden) Air Pollution: Great Basin: Mitigation: Owens Dry Lake.** Makes Los Angeles fully responsible for all costs associated with the mitigation of Owens Lake air pollution.

*Status: Vetoed by the Governor.*

**SB 1247 (Hayden) South Coast Air Quality Management District: Particulate Matter: Reporting: Air Quality Management.** Requires the South Coast Air Quality Management District to undertake a number of public outreach activities in relation to fine particulate matter (PM2.5) in order to protect the public health by assessing the latest scientific information about the need to restrict exercise and other outdoor activities during periods when federal PM2.5 standards are exceeded.

*Status: Vetoed by the Governor.*

**SB 1330 (Lockyer) Solid Waste: Farm and Ranch Cleanup and Abatement Program.** Establishes the Farm and Ranch Solid Waste Cleanup Program and allows the Legislature to

appropriate up to \$1 million annually to fund the grants, which are targeted at cities and counties that are implementing proactive illegal solid waste disposal prevention programs.

*Status: Signed by the Governor.*

**SB 1644 (Thompson) Oil Spills: Non-tank Vessels.** Requires non-tank marine vessels entering California marine waters to have approved oil spill contingency plans and certification of financial responsibility to prevent spillage.

*Status: Signed by the Governor.*

***The following bills failed to pass the Committee:***

**AB 2018 (Poochigian) Environmental Quality Project Review Fees.** Eliminates the ability of the Department of Fish and Game (DFG) to collect a filing fee from project applicants and local agencies to defray the costs of protecting fish and wildlife trust resources.

**AB 2531 (Cardoza) Solid Waste: Transformation Facilities.** Increases the waste diversion credit for certain local governments that send municipal solid waste to selected waste-to-energy facilities from 10% to 25%.

**AB 2667 (Miller) South Coast Air Quality Management District: District Plans.** Forces air quality management districts to undertake a pollutant by pollutant inventory necessary when all air districts currently compile a triennial attainment plan, as well as annually submit to ARB a source inventory, creating a virtual paperwork nightmare for AQMDs and for businesses.

**SB 681 (O'Connell) Beverage Containers.** Proposes numerous changes to California's highly successful bottle bill program that reduce the amount of money paid by beverage manufacturers, reduce the minimum recycled content for glass containers, and make paying subsidies to beverage manufacturers a higher priority than paying to expand recycling opportunities.

**SB 1376 (Knight) Air Pollution: Great Basin: Mitigation.** Allows the Great Basin Air Pollution Control District to impose air quality mitigation measures on the City of Los Angeles that may affect the city's right to produce, divert, store, or convey water. Takes away the City of Los Angeles' unique right to appeal mitigation measures to the Air Resources Board, and seeks to create a mechanism by which the state controller could deduct moneys from Los Angeles to pay for mitigation measures.

## **Public Employees, Retirement & Social Security**

Under the strong leadership of Chair Wally Knox, the Assembly Public Employees, Retirement and Social Security Committee fought to help public employees and teachers share in the state's economic recovery.

During 1997, the Committee urged the Administration to begin to bargain in good faith with employee groups. The Chair led an effort to encourage the Governor to provide a salary increase for state employees. The Committee has found that numerous state employee classifications lag behind in salaries to their private sector counterparts.

Budget language was initiated to ensure that broad-based civil service changes initiated by the Administration in the budget bill must be considered by legislative policy committees in the coming year. In addition, the Committee worked with Legislative Counsel to provide advice to legislative leaders on the appropriate legal basis for lump-sum repayment of the court-ordered payback of over \$1 billion to the Public Employees' Retirement System fund.

In 1998, under the effective leadership of new Chair Mike Honda, efforts continued in the Committee to provide state employees with a much needed salary increase. Most state employees have not received a general salary increase since January 1, 1995 and, prior to that, state employees had a five-percent pay cut for 18 months to help do their share to solve the state's budget problem. Now that the state's economy has recovered, the Committee believed it was appropriate that state employees share in the good fortune.

Retirement fund investment policy was also widely discussed this year by the Committee. Proposition 162, while giving the retirement systems sole and exclusive fiduciary responsibility over the assets of the systems, also gave the Legislature authority to prohibit certain investments by the retirement systems when it is in the public interest to do so and provided that the prohibition satisfies the standards of fiduciary care and loyalty. The Committee was able to support legislation, for example, that questioned financially risky investments being made in tobacco companies.

The new Chair led the efforts this year to gain significant improvements in retirement benefits for the state's teachers. Teachers have gone without any significant increases in their retirement benefits for years because of a large non-funded obligation in the State Teachers' Retirement System (STRS). STRS is now almost fully funded and money is available for the first time to bring teacher benefits up to par with those of other public employees in the state.

These are some of the important bills passed by the Assembly this session:

**AB 321 (Bordonaro) Public Employees: Retirement.** Includes specified officers and employees of the Department of Mental Health in the safety classification for retirement purposes, because of the growing number of violent criminals confined in mental health facilities and increased risk for employees.

*Status: Vetoed by the Governor.*

**AB 407 (Napolitano) County Employees: Retirement.** Authorizes boards of supervisors to elect to increase burial benefits up to \$5,000. The County Employees Retirement Law of 1937 prescribes a \$750 retired death payment.

*Status: Signed by the Governor.*

**AB 652 (Napolitano) Public Employees' Retirement.** Authorizes school or community college districts to enter into supplemental contracts for optional benefits for their classified employees. Allows classified employees to receive a retirement benefit structure that is equitable with state and public agency members of CalPERS. Currently, classified benefits are substantially less than other CalPERS members.

*Status: Vetoed by the Governor.*

**AB 673 (Floyd) Mediation and the Fact-finding Panel.** Provides for the appointment of a mediator mutually agreeable to both parties if, after a reasonable period of time, representatives of the public agency and the recognized employee organization fail to reach agreement on matters within the scope of representation.

*Status: Vetoed by the Governor.*

**AB 885 (Honda) Elected Members of the State Teachers' Retirement Board.** Provides for the election of four of the 12 members of the State Teachers' Retirement Board. Under current law, these members are appointed.

*Status: Vetoed by the Governor.*

**AB 1102 (Knox) Public Employees' Retirement: Sick Leave.** Enacts the Ralph Dills Teacher Recruitment and Retention Act of 1998. Extends eligibility for unused sick leave to all members of STRS and CalPERS who retire on or after January 1, 1999. Vests the funding stream that provides purchasing power protection to STRS retirees and beneficiaries. Increases the age factor of a STRS member retiring from service on or after January 1, 1999, who has 30 or more years of credited service, in an amount equal to two tenths of one percent, not to exceed a total benefit of 2.4% of final compensation per year of service. AB 2804 (Assembly PER&SS Committee) provides the funding for the STRS benefit increases in this bill.

*Status: Signed by the Governor.*

**AB 1150 (Prenter) State Teachers' Retirement System: Benefits.** Incrementally increases the age factor of 2% at age 60, to 2.4% at age 63, for STRS members retiring on or after January 1, 1999. AB 2804 (Assembly PER&SS Committee) provides the funding for this bill.

*Status: Signed by the Governor.*

**AB 1519 (Alquist) Public Employees' Retirement.** Deletes the death in the line of duty requirement in the Public Employees' Retirement Law which provides that survivor continuance allowances and special death benefits to surviving spouses of deceased firefighters or peace officers who died in the line of duty shall not cease upon remarriage.  
*Status: Vetoed by the Governor.*

**AB 1595 (Committee on Public Employees, Retirement and Social Security) School and City Employees.** Authorizes the establishment of a plan and a plan fund for part-time classified school employees who are excluded from membership in CalPERS.  
*Status: Signed by the Governor.*

**AB 1597 (Committee on Public Employees, Retirement and Social Security) Golden Handshake.** Extends until January 1, 2004, the sunset for the State Teachers' Retirement System "golden handshake" program.  
*Status: Vetoed by the Governor.*

**AB 1599 (Committee on Public Employees, Retirement and Social Security) County Employee Retirement.** Requires certain county employers who fail to reinstate employees denied disability retirement by the retirement system to pay their full salaries and benefits.  
*Status: Vetoed by the Governor.*

**AB 1606 (Committee on Public Employees, Retirement and Social Security) Bosnia Crisis -- State Employees.** Entitles any state legislative, executive, or judicial branch officer or employee, including civil service employees who, as a member of the California National Guard or a United States military reserve organization, is called up to active duty as a result of the Bosnia crisis on or after November 21, 1995, to receive similar compensation and benefits.  
*Status: Signed by the Governor.*

**AB 1892 (Wayne) Public Employees' Retirement System: Benefits.** Restores allowances that were discontinued upon remarriage to surviving spouses of deceased patrol, state safety, or state peace officer/firefighter members who died in the line of duty.  
*Status: Signed by the Governor.*

**AB 2099 (Bowler) Public Employees' Retirement System: Administration.** Authorizes agencies contracting with the Public Employees' Retirement System (CalPERS) that have excess employer retirement assets to use the excess to pay employee retirement contributions.  
*Status: Signed by Governor.*

**AB 2365 (Cedillo) Public Employees' Retirement System: Benefits.** Creates a new contract option for the 1959 Survivor Benefit Program and allows contracting agencies to amend their contracts to provide increased pre-retirement death benefits to their employees.  
*Status: Vetoed by the Governor.*

**AB 2409 (Shelley) Classified School Employee.** Specifies that part-time playground positions are not part of the classified service unless the employee is employed in a position as a classified position.

*Status: Vetoed by the Governor.*



**AB 2462 (Villaraigosa) State Employees: Employer-Employee Relations and State Civil Service.** Provides that the terms of specified memoranda of understanding which were entered into by the state and employee organizations that were in effect until June 30, 1995, shall govern relations between the state and the applicable employee organization until June 30, 1999. Makes various changes to state civil service system as to how it deals with probationary periods, administrative hearings and investigations, performance-based salaries and layoffs.

*Status: Defeated in the Senate.*

**AB 2603 (Gallegos) Local Government Labor Relations Improvement Act of 1998.**

Creates the Local Government Labor Relations Improvement Act of 1998 which would add new provisions to the Meyers-Milias-Brown Act to even the playing field for local public employees.

*Status: Vetoed by the Governor.*

**AB 2615 (Machado) County Retirement: Benefits: Cost-of-Living Adjustments.**

Authorizes 1937 Act Counties to elect to provide an additional pre-funded cost-of-living adjustment for retirees and beneficiaries.

*Status: Vetoed by the Governor.*

**AB 2768 (PER&SS Committee) State Teachers' Retirement System: Board.** Creates a STRS board more responsive to the needs of the members of the system by requiring that four board members be elected by various STRS constituent groups rather than appointed by the Governor.

*Status: Vetoed by the Governor.*

**AB 2804 (PER&SS Committee) State Teachers' Retirement System: Benefits.** Specifies that when the Teachers' Retirement Fund has achieved full funding status, the funds shall be used to improve the benefit structure of STRS .

*Status: Signed by the Governor.*

**SB 610 (O'Connell) Public Employees Retirement: Reciprocity.** Extends reciprocity to members of the STRS who are also members of a county retirement system established under the County Employees' Retirement Law of 1937.

*Status: Signed by the Governor.*

**SB 629 (Karnette) Public Employees' Retirement.** Makes alternative disability benefits applicable to members with less than five years of credited service whose disabilities are due to unlawful acts of bodily harm. SB 629 provides increased special death benefits to school members whose deaths were a direct consequence of violent acts that arose out of and in the course of their official duties. This bill applies to acts occurring on and after January 1, 1998.

*Status: Signed by the Governor.*

**SB 1023 (Schiff) Public Employees' Survivor Allowances.** Decreases the minimum qualifying age of surviving spouses of school and public agency employees from 62 years to

60 years. The Public Employees' Retirement Law prescribes alternative 1959 survivor allowances for survivors of members who are not covered by the social security system and who die before retirement.

*Status: Vetoed by the Governor.*

**SB 1024 (Schiff) Remarriage Benefits.** Allows surviving spouses of employees of agencies contracting with PERS continue allowances and special benefits upon remarriage.

*Status: Vetoed by the Governor.*

**SB 1025 (Schiff) 80% of Final Compensation.** Increases the limit of retirement allowances of local safety members from 75% of final compensation to 80% for local safety members who retire on and after January 1, 1998.

*Status: Vetoed by the Governor.*

**SB 1192 (Schiff) Golden Handshake.** Extends the authority of PERS contracting agencies, under certain circumstances, to encourage the retirement of employees by granting up to an additional four years of service credit during the 1997-98 and 1998-99 fiscal years. Extends the same authority to county boards of supervisors.

*Status: Signed by the Governor.*

**SB 1365 (Ayala) State Employees: Benefits.** Provides additional compensation to state employees who, as members of the National Guard or military reserves, are called into active duty as a result of a national emergency.

*Status: Signed by the Governor.*

**SB 1709 (Haynes) Public Employees' Retirement System: Benefits.** Allows surviving spouses of deceased local safety members who had retired for industrial disability to continue to receive CalPERS survivor benefits after remarriage.

*Status: Signed by the Governor.*

**SB 1753 (Schiff and Hayden) Public Retirement System Governing Boards: Conflicts of Interest.** Requires various disclosures in connection with the STRS and CalPERS Boards investment decisions and prohibiting specified communications with parties financially interested in the investment transactions. Also requires elected members of the CalPERS governing board to file campaign statements.

*Status: Signed by the Governor.*

**SB 2163 (Hughes) Judges' Retirement.** Eliminates the existing penalties for retiring after age 70 in the Judges' Retirement System.

*Status: Signed by the Governor.*

***This bill failed to pass the Committee:***

**AB 2357 (Olberg) State Trust Funds: Investments.** Prohibits various retirement funds from making new investments in any business firm that writes, records, or produces any song or

musical work with lyrics that promote specified criminal acts, leaving the state no choice but to divest from all major entertainment companies or conglomerates in order to ensure compliance and, as a result, would cost California taxpayers and retirees.

## Public Safety

Four years ago, the California Legislature enacted a series of strong sentencing measures to lengthen the terms of imprisonment of criminals convicted of serious or violent felonies. These measures have been successful in lowering the crime rate in almost every major category, but have caused severe overcrowding in our state prisons. Rather than build additional costly prisons that would further burden the taxpayer, the committee addressed the issue by taking steps to improve California's failing parole system.

Under the wise and able leadership of its chairs, Assemblymen Robert Hertzberg and Don Perata, the Assembly Committee on Public Safety passed a number of innovative bills designed to successfully reintegrate parolees into the community and to reduce their spiraling reincarceration rate which will reduce prison overcrowding.

The Committee passed numerous bills to make our streets safe by strengthening laws relating to firearms, the death penalty, sex offenders, criminal street gangs, and serious and violent offenders, and at the same time passed measures to protect children and the elderly.

The Committee has continued to update its website, a valuable tool in keeping the public informed of pending legislation. Included on the website is Committee membership, hearing agendas, legislation, and links to other criminal justice websites. The site can be viewed at:

<http://www.assembly.ca.gov/publicsafety/>

The Committee has expanded its library of criminal justice resources by state and national experts. Among the library's resources are books, reports, and studies on a wide array of criminal justice topics which the Committee uses regularly to thoroughly research pending legislation. Currently there are over 400 publications.

Following are key bills passed by the Assembly this session:

**AB 4 (Bordonaro) "10/20/Life" for Criminals Using Guns.** Adds 10 years to a criminal's sentence if the criminal is armed or uses a gun during commission of certain felonies. Adds 20 years to the sentence if the gun is discharged. Adds 25 years to life to a criminal's sentence if the gun is discharged and anyone is injured as a result. Based on a proposed initiative sponsored by Mike Reynolds, the author of the "Three Strikes" initiative.

*Status: Signed by the Governor.*

**AB 29 (Villaraigosa) Medical Release.** Establishes a procedure whereby a court may have the discretion to re-sentence or recall a sentence if a prisoner is terminally ill or permanently and severely incapacitated and is not a threat to public safety.

*Status: Signed by the Governor.*

**AB 105 (Wayne) Violent Offenders: Sentencing Enhancements.** Makes technical changes to fully implement the “10-20-life” law; clarifies that the enhancement for prior drug convictions includes out-of-state priors; and clarifies that an assault on a firefighter is subject to enhanced punishment if the firefighter is performing his or her duty.

*Status: Signed by the Governor.*

**AB 115 (Havice) Home Invasion Burglaries.** Adds to the list of violent felonies, first-degree robbery consisting of a robbery committed in an inhabited setting by three or more persons acting in concert.

*Status: Signed by the Governor.*

**AB 131 (Ortiz) Welfare Fraud.** Increases the punishment for food stamp fraud violations targeting serious traffickers and retailers who deal in large amounts of money.

*Status: Signed by the Governor.*

**AB 133 (Scott) Mandatory State Prison.** Requires any person who commits a serious or violent felony while on parole to be sentenced to state prison.

*Status: Signed by the Governor.*

**AB 190 (Napolitano) Elder Abuse: Statute of Limitations.** Extends the statute of limitations to five years for elder abuse crimes not involving theft or embezzlement, and provides that the statute of limitations for elder abuse financial crimes does not begin to run until the date of discovery of the offense.

*Status: Signed by the Governor.*

**AB 195 (Murray) Money Laundering.** Makes it easier to prosecute money laundering crimes by requiring financial institutions to report transactions of at least \$5,000 in aggregate value conducted over seven days, or \$25,000 within 30 days.

*Status: Signed by the Governor.*

**AB 202 (Scott) Hand Grenades.** Adds metal military practice hand grenades or metal replica hand grenades -- which initially are relatively harmless, but are then filled with explosives, sealed, and used as deadly weapons, frequently by gangs -- to the existing list of disguised firearms and deadly weapons which are illegal in California.

*Status: Signed by the Governor.*

**AB 210 (Hertzberg) Explosives.** Provides that the punishment for exploding or igniting a destructive device with the intent to commit murder shall be punished by a term of life in prison.

*Status: Signed by the Governor.*

**AB 213 (Wildman) Sex Offenders.** Requires a sex offender from out-of-state to register as a sex offender upon entering California.

*Status: Signed by the Governor.*

**AB 216 (Wayne) Criminal Procedure.** Allows prosecutors to appeal an unlawful misdemeanor sentence to the Superior Court.

*Status: Signed by the Governor.*

**AB 231 (Honda) Counterfeit of a Mark: Punishment.** Conforms counterfeiting law with general theft provisions; and increases punishments and fines for persons and corporations that intentionally sell, knowingly possess for sale, or willfully manufacture counterfeit items.

*Status: Signed by the Governor.*

**AB 247 (Scott) Peace Officers: Warrantless Arrest.** Permits a peace officer to make a warrantless arrest for a misdemeanor firearm offense occurring at an airport where the offender carried a concealed firearm without a permit, but not in the officer's presence, and the officer makes the arrest as soon as he or she has reasonable cause to believe the violation occurred.

*Status: Signed by the Governor.*

**AB 271 (Villaraigosa) Correctional Peace Officers Standards and Training.** Increases standards and training for state correctional peace officers, provides psychological screening for prospective candidates, and requires that state internal affairs investigators complete training and adhere to specified standards.

*Status: Signed by the Governor.*

**AB 304 (Scott) Firearms.** Provides that a driver or passenger who conceals a handgun within any vehicle is guilty of possession of a concealable firearm, which can be prosecuted as a felony.

*Status: Signed by the Governor.*

**AB 327 (Havice) Victims.** Adds statutory rape between a young victim and an older perpetrator to the definition of sexual abuse required to be reported under the Child Abuse and Neglect Reporting Act.

*Status: Signed by the Governor.*

**AB 357 (Havice) Serious Felonies.** Codifies a number of cases that hold certain offenses are currently "serious felonies".

*Status: Signed by the Governor.*

**AB 433 (Hertzberg) Misuse of Public Funds.** Authorizes investigators of county auditor-controller officers to serve search warrants and subpoenas or obtain other criminal history information and financial records critical to successful criminal filings against public officials and other persons who have misused or embezzled public funds.

*Status: Signed by the Governor.*

**AB 445 (Pacheco) Sex Offenders.** Provides that a defendant who attempts to murder a peace officer or firefighter engaged in the performance of his or her duties must be sentenced to life.

*Status: Signed by the Governor.*

**AB 491 (Keeley) Firearms.** Makes it a misdemeanor to keep a concealable firearm within any premises under one's control if a child gains access to it and carries it off the premises, in an effort to prevent gun accidents involving children.

*Status: Signed by the Governor.*

**AB 520 (Brown) Domestic Violence.** Requires domestic violence training for probation officers.

*Status: Vetoed by the Governor.*

**AB 618 (Cardenas) Warrants.** Requires the court clerk to enter into the statewide telecommunications system each bench warrant issued for misdemeanor domestic violence cases and driving under the influence cases, in an effort to make it easier to track spouse abusers and drunk drivers.

*Status: Vetoed by the Governor.*

**AB 662 (Hertzberg) Vehicles.** Provides (with specified exceptions) that, when a driver of a car flees police, the police may later impound the car.

*Status: Signed by the Governor.*

**AB 685 (Wayne) Sex Offenders.** Makes it a misdemeanor for an employee of a health facility to engage in sexual activity with a patient who is involuntarily confined in such a facility.

*Status: Status: Signed by the Governor.*

**AB 743 (Washington) Probation: Literacy.** Creates a five-year pilot project in Los Angeles County, upon adoption by the board of supervisors, to be conducted in two courts with the county to participate in a program designed to assist adults in receiving a 12th-grade education equivalency as a condition of probation for selected persons convicted of non-serious felonies.

*Status: Signed by the Governor.*

**AB 796 (Havice) Sex Offenders: Notification.** Authorizes school employees to disclose information received from law enforcement on sex offenders in the manner and extent authorized and minimizes specified parties from civil liability for that disclosure.

*Status: Signed by the Governor.*

**AB 880 (Hertzberg) Elder Abuse.** Expands criminal sanctions for offenses pertaining to financial abuse of the elderly and dependent adults so as to apply to all persons, not just caretakers. Provides that any person who is not a caretaker and violates any provision of law proscribing theft or embezzlement, with respect to the property of an elder or a dependent adult, and who knows or reasonably should know that the victim is an elder or dependent

adult, shall be punished based on the value of the money, labor, or property taken; (a) if the loss exceeds \$400, the offense is a felony, punishable by two, three, or four years in state prison, or up to one year in the county jail; or (b) if the loss is less than \$400, the offense is a misdemeanor, punishable by up to one year in the county jail and a fine up to \$1,000.

*Status: Signed by the Governor.*

**AB 920 (Davis) Criminal Laboratories.** Requires the Department of Justice to assist local agencies in the maintenance of existing criminal forensic science laboratories. Local crime laboratories continue to suffer from years of deferred maintenance and capital outlays as a result of local governments and law enforcement agencies having to adjust to lower revenues.

*Status: Signed by the Governor.*

**AB 946 (Washington) Transit Violence.** Increases the potential fine for violence committed against a transit operator, driver, passenger, or station agent from up to \$2,000 to up to \$10,000.

*Status: Signed by the Governor.*

**AB 950 (Davis) Peeping Toms.** States that any person convicted of being a “peeping tom” who has a specified prior conviction is guilty of a misdemeanor, punishable by up to one year in county jail, and a fine of up to \$1,000. AB 950 will put a peeper on notice and give the court the discretion to order counseling or remedy the behavior.

*Status: Signed by the Governor.*

**AB 963 (Keeley), AB 853 (Hertzberg) and SB 1050 (Alpert) Gang Violence.** Provides funding for new community-based programs to prevent gang violence.

*Status: Signed by the Governor.*

**AB 1016 (Hertzberg) Peace Officers: Personnel Files.** Requires the removal of unfounded and exonerated complaints from a peace officer’s general personnel file prior to any official determination regarding promotion, transfer, or disciplinary action by the officer’s employing department or agency. Allows management to access those complaints in a separate file, as long as management does not use the complaints for punitive or promotional purposes.

*Status: Signed by the Governor.*

**AB 1078 (Cardoza) Megan’s Law.** Strengthens law provisions regarding sexual predator notification by affording civil immunity to educational and daycare institutions that disseminate information about sexual predators in the community.

*Status: Signed by the Governor.*

**AB 1105 (Hertzberg) Juveniles.** Creates informal juvenile courts to deal swiftly with minor juvenile crimes, thus providing early intervention in the lives of juvenile offenders.

*Status: Signed by the Governor.*



**AB 1201 (Murray) Victims of Domestic Violence.** Expands legal protections, support services and informational resources for victims of domestic violence.

*Status: Signed by the Governor.*

**AB 1204 (Keeley) Alcoholic Beverages: Minors.** Increases the misdemeanor penalty for a defendant who purchases an alcoholic beverage for another person under the age of 21 years if the person under the age of 21 then consumes the alcohol and thereby proximately causes great bodily injury or death to himself, herself, or any other person.

*Status: Signed by the Governor.*

**AB 1221 (Aroner) Firearms.** Makes it a misdemeanor to knowingly sell to a person under age 21 any ammunition intended for use in a concealable firearm, punishable by up to six months in jail and/or a fine of up to \$1,000.

*Status: Signed by the Governor.*

**AB 1382 (Olberg) Vehicles: Crimes: Penalties.** Increases the punishment for driving a motor vehicle while willfully evading a peace officer and proximately causing serious bodily injury or death.

*Status: Signed by the Governor.*

**AB 1392 (Scott) School Employees.** Provides that a person, firm, association, partnership, or corporation offering or conducting private school instruction on the elementary or high school level may not employ a person who would be prohibited from employment by a public school district pursuant to any provision of the Penal Code because of his or her conviction for any crime.

*Status: Signed by the Governor.*

**AB 1436 (Cardoza) Peace Officers.** Prohibits a public agency from taking punitive action against a peace officer based on an allegation of misconduct unless investigation of the allegation is completed within one year.

*Status: Signed by the Governor.*

**AB 1450 (Shelley) Civil Rights: Vandalism.** Requires mandatory community service, in addition to existing penalties, for any person who damages another's property because of his or her race, color, religion, ancestry, national origin, disability, gender, or sexual orientation.

*Status: Signed by the Governor.*

**AB 1536 (Wright) Parolees: Sexual Molestation.** Parolees are frequently charged with sexual molestation, which is, of course, a violation of parole. While the Board of Prison Terms can subpoena reports of suspected child abuse, those who have made such reports typically refuse to testify, fearing that testimony would be a violation of confidentiality requirements. This bill would allow the BPT to subpoena witnesses for hearing. Without such subpoena power, it is often difficult to establish a parole violation by a preponderance of evidence because the written reports lack full and clear information about the alleged child abuse.

*Status: Signed by the Governor.*

**AB 1538 (Havice) Death Penalty.** Adds to the list of special circumstances the following form of first-degree murder: the defendant intentionally killed the victim while the defendant was an active participant in a criminal street gang; and the murder was carried out to further the activities of the criminal street gang.

*Status: Held in Senate Public Safety Committee.*

**AB 1692 (Bowen) Video Testimony.** Gives the judge discretion to allow minor victims of sexual offenses (13 years of age or younger) to testify at trial or a preliminary examination, via closed-circuit television under limited circumstances where the court finds by clear and convincing evidence that the victim would otherwise be unavailable to testify.

*Status: Signed by the Governor.*

**AB 1707 (Wildman) Body Armor.** Prohibits a person convicted of a violent felony from purchasing, owning or possessing body armor.

*Status: Signed by the Governor.*

**AB 1756 (Havice) School and Community Policing.** Provides matching grants to school districts to hire police to be onsite in troubled schools.

*Status: Signed by the Governor.*

**AB 1767 (Havice) Domestic Violence.** Broadens the potential list of victims included within the misdemeanor offense of battery created for a person involved in a “dating relationship” to include a person with whom the defendant currently has or previously had an engagement relationship. Expands authorization for warrantless arrests.

*Status: Signed by the Governor.*

**AB 1788 (Wright) Driving Privileges: Solicitation.** Authorizes a judge to suspend the driving privilege for up to 30 days, or restrict the driving privilege to travel to and from work/school for up to 6 months, of a person convicted of engaging in lewd conduct where a peace officer witnesses the violator pick up a person who is engaging in loitering with the intent to commit prostitution, and the violator subsequently engages in a lewd act.

*Status: Signed by the Governor.*

**AB 1792 (Havice) Personal Information: Minors.** Creates misdemeanor crimes for list brokers and others who use personal information about a child.

*Status: Signed by the Governor.*

**AB 1797 (Davis) Violence Against Witness or Victim.** Specifies that the prohibition against intimidation of witnesses extends to the actual use of force against witnesses.

*Status: Signed by the Governor.*

**AB 1926 (Wildman) Sex Offenses: Evidence.** Provides that in enumerated sex crimes cases, evidence of the way the victim was dressed at the time of the crime shall not be admissible when offered by either party to prove consent unless the court determines the evidence is admissible.

*Status: Signed by the Governor.*

**AB 2001 (Kuehl) Employment Agencies: Child Care Providers.** Requires employment agencies that refer child-care providers to provide prospective employers with specified information about the Trustline Registry.

*Status: Signed by the Governor.*

**AB 2022 (Wright) Firearms.** Modifies criteria and application processes for licenses to carry a concealed pistol, revolver, or other firearm capable of being concealed upon the person.

*Status: Signed by the Governor.*

**AB 2055 (Gallegos) Regulation of Sexually Oriented Businesses.** Permits local governments to regulate and, in some cases, prohibit the establishment of new sexually oriented businesses such as nude clubs or “juice bars”.

*Status: Signed by the Governor.*

**AB 2056 (Floyd) Public Health Labs: Federal Conformity.** Provides conformity with federal lab law by revising state law to require city or county public health labs, and non-diagnostic general health assessment programs, to obtain state licensure or registration and to meet federal clinical laboratory requirements.

*Status: Signed by the Governor.*

**AB 2188 (Scott) Firearms: License to Manufacture.** Requires large-scale federal licensed firearms manufacturers to be licensed by the Department of Justice, imposes licensing conditions, and imposes sanctions for violating those provisions.

*Status: Signed by the Governor.*

**AB 2259 (Aguiar) Sex Offender Registration: Disclosure.** Makes it a misdemeanor for a registered sex offender who applies for or accepts a position working directly with a minor not to voluntarily disclose his or her status.

*Status: Signed by the Governor.*

**AB 2319 (Knox) Victims of Crime.** Expands the period of time during which crime victims can file an application for financial assistance with the Board of Control from the Victims of Crime Restitution Fund.

*Status: Signed by the Governor.*

**AB 2351 (Hertzberg) Computer Crime.** Expands current stalking and telephone harassment laws to cover contacts made through electronic communication devices such as computers. Requires police officers to receive training in high-technology crimes and the Office of Criminal Justice Planning to conduct a feasibility study with respect to a state-operated center on computer forensics.

*Status: Signed by the Governor.*

**AB 2369 (Wayne) Controlled Substances: Penalties.** Requires that any person convicted of

the manufacture, sale, possession for sale, possession, transportation or disposal of any controlled substance in violation of any law, pay a penalty equal to the costs incurred in removing and disposing of any hazardous substance.

*Status: Signed by the Governor.*

**AB 2560 (Perata) Firearms: Assault Weapons.** Revises and expands the definition of assault weapons, expands prohibitions against the manufacture, possession for sale, importation, or giving or lending of certain weapons, bans the sale of large-capacity magazines, and revises laws relating to assault weapons.

*Status: Vetoed by the Governor.*

**AB 2569 (Kuehl) Controlled Substances: Public Libraries.** Provides for an additional one-year prison enhancement for any person convicted of selling or possessing for sale dangerous drugs on the grounds of a public park, public library, or ocean-front beach.

*Status: Signed by the Governor.*

**AB 2609 (Lempert) Firearms: University or College Campus.** Clarifies the Gun Free School Zone Act to forbid the bringing or possession of any firearm on the grounds of, or in any buildings owned or operated by a public or private university or college used for the purpose of student housing, teaching, research or administration, that are contiguous or

clearly marked university property. Exempts specified law enforcement and security personnel.

*Status: Signed by the Governor.*

**AB 2649 (Figueroa) Corrections: Detainees: Prohibited Employment.** Precludes specified types of inmates from working in situations that provide them with access to personal information and requires other inmates who have access to personal information to disclose that they are confined before taking any personal information from any individual.

*Status: Signed by the Governor.*

**SB 97 (Alpert) Domestic Violence.** Prohibits civil compromise in all cases of elder and child abuse, and violations of specified protective orders relating to minors.

*Status: Signed by the Governor.*

**SB 115 (Burton) Domestic Violence.** Prohibits civil compromise in all domestic violence cases.

*Status: Signed by the Governor.*

**SB 122 (Alpert) Adoption Fraud.** Clarifies and states legislative intent that any of the specified adoption fraud offenses in current law, which are misdemeanors, may be prosecuted as grand theft, which allows it to be prosecuted as a felony in some cases.

*Status: Signed by the Governor.*

**SB 150 (Kopp) Restitution.** Includes criminal restitution orders in the “judgments” which persons defrauded by real estate licensees may rely upon in claiming payment from the Department of Real Estate Recovery Account, so as to increase the ability of crime victims to receive compensation.

*Status: Signed by the Governor.*

**SB 186 (Solis) Sex Crimes.** Imposes aggravated enhancements for attempted sex crimes where a perpetrator uses or is armed with a firearm or a deadly weapon, or where great bodily injury is inflicted upon the victim.

*Status: Signed by the Governor.*

**SB 314 (Ayala) Sex Offender Registration.** Expands the list of sex offenses for which minors must register as sex offenders.

*Status: Signed by the Governor.*

**SB 327 (Greene) Background Checks.** Allows public housing authorities to obtain summary criminal histories of residents.

*Status: Signed by the Governor.*

**SB 350 (Lee) Domestic Violence.** Allocates \$11.4 million in federal Violence Against Women Act funds to local law enforcement agencies, prosecutors, and victim service agencies to help catch and prosecute sex offenders and spouse abusers, and to help their victims.

*Status: Signed by the Governor.*

**SB 366 (Hughes) School Peace Officers.** Requires the Commission on Peace Officer Standards and Training to review minimum training and selection standards for school district peace officers.

*Status: Signed by the Governor.*

**SB 388 (Karnette) Juveniles.** Authorizes law enforcement agencies to release the name of, and any descriptive information about, a minor 14 years of age or older wanted for murder.

*Status: Signed by the Governor.*

**SB 434 (Kopp) Prisons.** Overrides Department of Corrections regulations which prevented the media from interviewing individual prisoners.

*Status: Vetoed by the Governor.*

**SB 438 (Johnston) Computer Crimes.** Provides for forfeiture of cellular phone cloning equipment after a conviction based on misuse of the equipment.

*Status: Signed by the Governor.*

**SB 457 (Costa) Controlled Substances.** Makes it easier for the property of drug traffickers to be forfeited.

*Status: Signed by the Governor.*

**SB 500 (Polanco) Firearms.** States that any person who manufactures, sells, imports for sale, lends, or gives away any non-sporting handgun, like a "Saturday Night Special," as defined, is guilty of a misdemeanor.

*Status: Vetoed by the Governor.*

**SB 513 (Lockyer) Death Penalty.** Creates a new system for providing defense counsel to Death Row inmates in order to clear the backlog of death penalty appeals in the courts.

*Status: Signed by the Governor.*

**SB 547 (Watson) Firearms.** Makes it a misdemeanor, except in specified circumstances, to obtain more than one handgun within any 30-day period.

*Status: Vetoed by the Governor.*

**SB 641 (Polanco) Bail.** Requires that an individual who is arrested for a serious felony must have a hearing prior to release on bail or on his or her own recognizance.

*Status: Signed by the Governor.*

**SB 644 (Polanco) Child Abuse.** Enacts Lance's Law Child Safety Reform Act of 1997, providing greater access to information in the Child Abuse Central Index to reduce the incidence of child murder.

*Status: Signed by the Governor.*

**SB 688 (Ayala) Wiretapping.** Continues authorization for the interception of wire, electronic pager, and cellular telephone communications in certain circumstances.



*Status: Signed by the Governor.*

**SB 882 (Schiff) Sex Offenders.** Requires a person subject to sex offender registration who has no residence address to update his or her address.

*Status: Signed by the Governor.*

**SB 1078 (Lockyer) Sex Offenders.** Removes the sunset date of January 1, 1998, from the 1-900 Child Molester Identification Line which enables communities to ascertain whether an individual is a convicted child molester.

*Status: Signed by the Governor.*

**SB 1089 (Lockyer) Controlled Substance: Public Park or Oceanfront Beach.** Adds a one-year prison enhancement, which was recently repealed by a sunset clause for persons who sell, or possess for sale, at a public park or oceanfront beach, heroin, phencyclidine (PCP), methamphetamine, cocaine, or cocaine base.

*Status: Signed by the Governor.*

**SB 1092 (Lockyer) Child Abuse.** Requires the Governor's budget to specify excess funds from the Victims of Crimes Restitution Fund so these funds can be appropriated to the Office of Child Abuse Prevention.

*Status: Vetoed by the Governor.*

**SB 1204 (Schiff) Mentors.** Requires the Department of the Youth Authority to annually recognize exemplary Californians who volunteer as youth mentors in an effort to increase the number of people who serve as mentors to at-risk children.

*Status: Signed by the Governor.*

**SB 1374 (Leslie) Personal Information.** Increases the penalty for personal identity theft from a misdemeanor to an alternate felony/misdemeanor. Expands personal identity theft to include the use of the illegally obtained information "for any unlawful purpose," specifically including obtaining medical information.

*Status: Signed by the Governor.*

**SB 1404 (Johnston) Hate Crimes.** Makes it an alternate felony/misdemeanor for any person who burns, desecrates, or destroys a cross or other religious symbol, knowing it to be a religious symbol, on the property of a school for the purpose of terrorizing any person who attends or works there or is otherwise associated with the school.

*Status: Signed by the Governor.*

**SB 1407 (Lockyer) Crimes: Manslaughter.** Makes the death of any person resulting from a vehicular collision, knowingly committed for the purposes of financial gain, vehicular manslaughter punishable by 4, 6, or 10 years in the state prison.

*Status: Signed by the Governor.*

**SB 1500 (Polanco) Firearms.** Requires all handguns manufactured, imported, or kept for sale to be tested by an independent certified laboratory to see if such handguns meet newly created firing and drop safety requirement, but provides for certain exceptions. Makes it a misdemeanor to manufacture, import or offer to sell any handgun failing such a test. Requires manufacturers, importers and persons offering to sell handguns to swear under penalty of perjury that their guns have passed such tests.

*Status: Vetoed by the Governor.*

**SB 1550 (Hayden) Firearms: Use-Limitation Devices.** Requires firearms dealers to offer use-limitation devices to gun purchasers in California.

*Status: Vetoed by the Governor.*

**SB 1715 (Calderon) Elder and Dependent Adult Abuse.** Precludes persons who commit elder or dependent adult abuse from inheriting from those deceased elder or dependent adult victims and increases the punishment for false imprisonment of an elder or dependent adult in certain situations. Allows a conservatorship court to consider any elder or dependent adult abuse implications before approving a financial decision.

*Status: Signed by the Governor.*

**SB 2108 (Vasconcellos) Department of Corrections.** Appropriates \$175 million to expand training, treatment and assistance programs for inmates and parolees. Authorizes funds for the planning, design, construction, and activation of 10 semiautonomous administrative segregation buildings.

*Status: Signed by the Governor.*

**SB 2215 (Lockyer) Public Safety Officers: Procedural Bill of Rights.** Modifies the Public Safety Officers Procedural Bill of Rights Act to provide that a chief of police cannot be fired without written notice of the reasons and an opportunity for an administrative appeal.

*Status: Signed by the Governor.*

*The following bills failed to pass the Committee.*

**AB 2212 (Morrissey) Robbery: Home Invasions.** Increases penalties for “home invasion robberies” and would create either a new offense or an enhancement for taking a vehicle in connection with the commission of a “home invasion robbery”. It is unclear if AB 2212 would have created an enhancement or a mandated consecutive sentence. The creation of an enhancement creates cross-referencing issues, not included in AB 2212. Moreover, as drafted, the bill could have either precluded punishment for carjacking, which is now probably a separately punishable crime of violence or a prohibited “double punishment” precluded by the Constitution. AB 2212’s effect would have been far more expansive than “home invasions” and included persons robbing each other within their residences or guests and felons robbing each other in their jail cells.

**AB 2449 (Bowler) Justifiable Homicide: Entry into Motor Vehicle.** Makes it a justifiable homicide for a person to kill another person to prevent entry into a motor vehicle or to compel a person to leave the vehicle. AB 2449 did not require that the person using deadly force have a reasonable fear of death or great bodily injury to self. AB 2449 was patterned after Louisiana’s controversial “shoot the carjacker” law which received a great deal of criticism. According to ABC News, the Louisiana law was the first law to allow a “license to kill” over a stolen car. Passage of AB 2449 would have encouraged motorists to carry concealable firearms in their vehicles - illegal in California.

**AB 2467 (Morrissey) Controlled Substances: Felony Murder Rule.** Makes a number of offenses related to the administering, transporting, importing, or furnishing of any controlled substance subject to the “second-degree felony murder” rule. Declares felonies that involve transporting, bringing into California, making, administering or furnishing any controlled substance felonies inherently dangerous to human life. Applies to any controlled substance, i.e., marijuana, Robitussin with codeine cough syrup, anabolic steroids, and drugs or substances given for the following medical uses: weight control, attention deficit disorder, anti-diarrheal, anti-cancer, anti-nauseant, codeine or hormone. Declares killings during the commission of offenses referred to in this paragraph be declared subject to the “second-degree felony murder” rule, resulting in a sentence of 15-years-to-life in the state prison.

**AB 1783 (Bordonaro) Battery: State Hospital.** Makes it a felony punishable by imprisonment in the state prison for a patient in a state hospital to commit a battery upon another person. Allows the prosecution of mentally ill patients who are incapable of distinguishing between right and wrong and who cannot appreciate the wrongfulness of their actions. Patients’ rights advocates throughout the state opposed AB 1783.

**AB 2151 (Pacheco) Child Abuse and Neglect Reporting Act.** Expands the list of persons required to report incidents of suspected child abuse to include school bus drivers, crossing guards, lunchtime and playground monitors, maintenance workers, support staff, building inspectors, and volunteers. Failure to report incidents of child abuse would have been punishable by up to six months in the county jail, and in certain instances, this bill would have made it a felony. AB 2151 would have expanded the child abuse reporting laws to place responsibilities on unqualified individuals just because they may be around. The criminal penalties associated with a failure to report suspected child abuse would have had a “chilling” effect on the volunteer system so vital to successful schools.

**AB 2166 (Pacheco) Criminal Procedure: Capital Cases: Reimbursement of Defense Costs.** Requires in capital murder cases the public disclosure of confidential funding records prior to final judgment. AB 2166 was a thinly veiled attempt to arouse public ire against the state funding of indigent defendants charged with capital murder. The public disclosure of these records would also have had an adverse effect on judges whose responsibility it is to dispense and oversee the necessary funding, as they are required to run for election and do not wish to run afoul of the electorate.

## Revenue & Taxation

Democrats have traditionally sought tax relief for middle-income and lower-income taxpayers, but in recent years Democrats have been more receptive to *targeted tax cuts* for businesses that have the greatest propensity to create jobs. This complies with the policy of Assembly Democrats that creating and preserving California jobs are the fundamental components of sound tax policy.

This year, under the leadership of Assemblymember Wally Knox, the Assembly Revenue and Taxation Committee considered and passed tax measures that embodied these principles. The Legislature held most bills on the Suspense File in Appropriations Committee and instead considered tax measures in a Conference Committee of both Houses this year. Ultimately, the major tax legislation was enacted as part of the budget act.

The Assembly passed the following tax bills during the 1997-98 session:

**AB 1X (Cardoza) Catastrophic Tax Loss Relief.** Allows taxpayers to deduct non-reimbursable property losses suffered in the 1996-1997 floods. AB 1X will also allow counties to reduce assessed value of properties to reflect flood damage.

*Status: Signed by the Governor.*

**AB 3 (Baca) Local Agency Military Base Recovery Areas.** Authorizes the Trade and Commerce Agency to designate three additional Local Agency Military Base Recovery Areas (LAMBRA), for a total of eight and makes various substantive changes to LAMBRA tax incentives.

*Status: Signed by the Governor.*

**AB 27 (Bowen) Bank and Corporation Taxes.** Exempts from the \$800 minimum franchise tax any corporation, limited liability partnership or corporation, or limited partnership in the year following the year it files for dissolution.

*Status: Held in the Senate.*

**AB 66 (Baca) Allocation of Jet Fuel Tax.** Changes the allocation of the local 1.25% sales tax revenue resulting from the sale of jet fuel and allows cities and counties in which airports are located, owned, and/or operated gain revenue from jet fuel sales.

*Status: Signed by the Governor.*

**AB 82 (Villaraigosa) Los Angeles Revitalization Zone.** Given the problems of recent economic recession, natural disasters, and upcoming welfare reform the areas within the Los Angeles Revitalization Zone continue to be burdened. This bill extends the revitalization zone to 2003.

*Status: Held in the Senate.*

**AB 94 (Cardoza) Investment Credit.** Provides a tax credit of \$150 for the purchase of a gun safe for personal use. To qualify for the credit, the gun safe must be manufactured to store firearms, made of steel and equipped with a combination or key lock listed by Underwriters' Laboratories.

*Status: Held in the Senate.*

**AB 168 (Torlakson) Low-Income Housing Tax Credit.** Increases the maximum annual amount of low-income housing credit dollars from \$35 million to \$50 million.

*Status: Signed by the Governor.*

**AB 196 (Thomson) Food Banks.** Provides for a 20% tax credit of the value of agricultural products donated to a nonprofit organization between 1998 and 2001. It also requires Department of Social Services report by 6/30/2000 on the amount of food donated to such organizations before and after the credit was established.

*Status: Held in the Senate.*

**AB 240 (Takasugi) Elderly/Disabled Homeowners.** Authorizes the transfer of Proposition 13 base year value between counties and continues to allow counties to authorize these base year value transfers; thus, an elderly or disabled person may move anywhere in California without fear of a property tax increase.

*Status: Signed by the Governor.*

**AB 364 (Baca) Forgiven Student Loans.** Allows for forgiven student loans not to be treated as taxable income.

*Status: Signed by the Governor.*

**AB 366 (Havice) Competitive Ports.** Makes permanent the exemption from sales/use tax for sales of fuel and petroleum products to water common carriers for use at their first out-of-state destination (interstate bunker fuel). Before the tax was imposed, many ships stopped in Los Angeles/Long Beach solely to "bunker"; after the tax was imposed, the number of "bunker-only" ship calls fell drastically, meaning that ships came to California ports only if they needed to engage in other activity.

*Status: Signed by the Governor.*

**AB 701 (Caldera) Tax Enforcement Information Sharing.** Permits the Franchise Tax Board to provide tax officials of charter cities with the names, addresses, and taxpayer identification number of taxpayers who are paying state income taxes but are not paying city taxes. This will help cities track down those business taxpayers not bearing their share of city taxes.

*Status: Vetoed by the Governor.*

**AB 702 (Villaraigosa), AB 1395 (Escutia), and SB 247 (Lockyer) Child Support.** Increases FTB responsibility for the collection of child support.

*Status: All Three Bills Signed by the Governor.*

**AB 713 (Caldera) New Taxpayers' Bill of Rights.** Gives taxpayers who comply with state law increased protection in their dealings with the Franchise Tax Board. Conforms California law to the federal Taxpayers' Bill of Rights without significant costs to the state.

*Status: Signed by the Governor.*

**AB 741 (Washington) Hiring Credit for At-Risk Youth.** Allows a 33% credit to employers who hire specified at-risk youth for wages paid, and a one-time \$300 credit for the added services of probation or parole officers who assist employers hiring at-risk youth.

*Status: Held in the Senate.*

**AB 1019 (Machado) Tax Relief.** Exempts liquefied petroleum gas used for home heating and cooking from the sales tax.

*Status: Held in the Senate.*

**AB 1042 (Wayne) Research and Development.** Conforms to federal enhancements of the research and development (R&D) credit. The California credit will increase from 11% of R&D expenditures to 20%, matching the federal amount. (California increased the R&D credit from 8% to 11% in 1996.)

*Status: Signed by the Governor.*

**AB 1319 (Alquist) Opinions of Value in Residential Assessment Appeals.** Requires opinions of value in residential assessment appeals to be made according to Uniform Standards of Appraisal Practice or to contain a statement that they do not meet such standards, thus discouraging frivolous property tax appeals.

*Status: Signed by the Governor.*

**AB 1413 (Papan) State Chartered Credit Unions.** Federally chartered credit unions already have a corporate income tax exemption under federal law. Under this bill, state-chartered credit unions are provided an exemption, but remain taxed on their "unrelated business income," i.e., income earned through activities other than credit union activities.

*Status: Held in the Senate.*

**AB 1469 (Ortiz) IRS Restructuring.** Contains several amendments to the personal income and bank and corporation tax laws that are intended to make the codes more taxpayer-friendly and to conform state law to certain elements of the federal Internal Revenue Service Restructuring and Reform Act of 1998.

**Status: Vetoed by the Governor.**

**AB 1520 (Vincent) Tax Credit.** Community development financial institutions are community development corporation-based lenders or credit unions or specialized loan funds. Generally located in various areas of the state to provide financing for communities, individuals or businesses that lack access to traditional sources of financing, these institutions help potential borrowers who do not meet the criteria imposed by conventional lenders. This bill provides a 20% credit for investments or non-interest bearing deposits in such institutions.

*Status: Signed by the Governor.*

**AB 1613 (Scott) Higher Education Affordability Act.** Enacts the Higher Education Affordability Act. This bill conforms to federal changes in the law that governs qualified state tuition programs and deductions for interest paid on education loans.

*Status: Signed by the Governor.*

**AB 1614 (Lempert) No New Taxes on Internet.** Provides that no new local taxes may be imposed on Internet activities.

*Status: Signed by the Governor.*

**AB 1755 (Keeley) Energy: Renewable Resources.** Requires every electric service provider to make a standard contract available to customer-generators in order to encourage investment in renewable energy resources and reinstate property tax exclusions for active solar energy systems from January 1, 1999, until January 1, 2006.

*Status: Signed by the Governor.*

**AB 1807 (Takasugi) Airline Assessment.** Establishes a methodology of valuing certificated aircraft to be followed by county assessors through fiscal year 2003-2004. Provides that airlines will drop pending lawsuits and assessment appeals in those counties that provide specified property tax relief through a system of credits against future year tax obligations. Double-joined to AB 2318 (Knox).

*Status: Signed by the Governor.*

**AB 2318 (Knox) Airline Possessory Interest.** Resolves the discrepancies that exist between statutes, regulations and judicial determinations to the satisfaction of the interested parties by establishing a methodology for valuing real property rights of operators of certificated aircraft and establishing the existence of real property rights of operators of certificated aircraft.

*Status: Signed by the Governor.*

**AB 2797 (Cardoza) Omnibus Tax Bill.** This bill contains the following tax provisions agreed to as part of the negotiations over the Budget.

- **Vehicle License Fees.** Permanently reduces vehicle license fees (VLF) by 25% and offsets that amount by a General Fund appropriation to the Motor Vehicle License Fee Account and the Local Revenue Fund for payment to cities and counties. It allows future fiscal year reduction in the VLF rate to be increased if various target amounts are met. The VLF rate could eventually be reduced by up to 67.5% by meeting the various triggers.
- **Joint Strike Fighter.** Provides credits under the personal income tax and bank and corporation tax equal to between 10% and 50% of qualified wages and qualified property



placed into service, under contracts or subcontracts for the manufacture of property in California for use in the Joint Strike Fighter program.

- **Self- Employed Health Insurance Deduction.** Improves the affordability of health insurance purchased by self-employed individuals by increasing the allowable deduction from 25% to 40%.
- **Senior Citizen and Disabled Property and Renter Tax Assistance Program.** Increases the upper end of the program's eligibility by increasing the household income limit from \$13,200 to \$33,360 for the 1999 calendar year. This is the first expansion in the household income cap since 1989 and provides for indexing in future years to keep pace with inflation.
- **Personal Dependent Exemption Credit.** Accelerates the phase-in and increases the value of the dependent exemption credit that was part of last year's "tax mega-deal." The tax credit is currently scheduled to be \$120 in 1998 and \$222 in 1999. This bill increases it to \$253 in 1998 and \$227 in 1999 and indexes it for inflation in subsequent years.
- **Renters' Credit.** For the first time in six years, allows low- and middle-income renters a tax credit. The credit is nonrefundable, valued at \$60 for singles and \$120 for couples, and available to singles with incomes below \$25,000 and couples with incomes below \$50,000.
- **Conformity.** Conforms 67 provisions of California's personal income and bank and corporation tax laws to federal law. These changes are intended to simplify tax preparation for California taxpayers. Some of the key conformity provisions include those relating to deductibility of student loan interest and contributions of computers to schools, expensing of environmental remediation costs, depreciation of electric vehicles, and 1995 law with respect to employee stock ownership plans.

*Status: Signed by the Governor.*

**AB 2798 (Machado) Omnibus Targeted Tax Credits Bill.** Contains ten targeted tax credits agreed to by the "Big 5" as part of the budget negotiations. The bill will become inoperative if Proposition 7 on the November 1998 Ballot is approved by the voters. The credits included in the bill are as follows:

- **Employer Child Care.** Extends the sunset date on the Employer Child Care Program and the Employer Child Care Contribution credits from January 1, 1998 to January 1, 2003.
- **Manufacturing Investment Credit for Software.** Extends the manufacturing investment credit to taxpayers engaged in computer programming services prepackaged software and computer integrated systems design.

- **Research and Development Conformity.** Provides 80% conformity to federal law with respect to research and development credits.
- **Space Launch Sales Tax Exemption.** Provides a permanent sales tax exemption for property used in any commercial space flight originating in California.
- **Self-Employed Health Insurance Deduction.** Improves the affordability of health insurance purchased by self-employed individuals by increasing the allowable deduction from 25% to 40%.
- **State Tax Conformity.** Conforms California law to certain provisions of federal estate tax law by allowing the estate tax to be paid in installments and providing a 9% interest rate on payments made after nine months.
- **Teleproduction/Postproduction Equipment Sales Tax Exemption.** Provides an exemption from the 5% state sales and use tax on tangible personal property used by any person that is primarily engaged in teleproduction or postproduction services.
- **Minimum Franchise Tax.** Reduces the minimum franchise tax on new, small corporations for the first two years of business from \$600 to \$300 in the first year of business and from \$800 to \$500 in the second year of business.
- **Perennial Plant Sales Tax Exemption.** Perennial plants would join annual plants and seeds as tax-exempt property. Examples of some plants that would become exempt include fruit trees, nut trees, and grapevines.
- **Enterprise Zone/Economic Incentive Area Changes.** In order to help improve zone effectiveness, older zones would be allowed longer lives (20 years, as opposed to 15), and small- to medium-sized zones would be allowed to expand to a greater extent (by 20% as opposed to the current 15%). In an attempt to help identify under-performing zones, the Trade and Commerce Agency would be given the authority to audit zones, grade them, and de-designate failing zones. This bill also gives Trade and Commerce the ability to authorize new zones as old ones expire or are de-designated.

*Status: Signed by the Governor.*

**ACA 22 (Pringle) Superfund Sites.** Permits owners of environmentally contaminated properties to transfer base year values to either new construction or a replacement property.

*Status: Signed by the Governor.*

**SB 5 (Lockyer) Capital Gains: Subchapter S corporations.** Conforms to the changes to Subchapter S Corporation made by Congress in late 1996. The bill also conforms to the capital gains exemptions for the sale of personal residences enacted by Congress in 1997. This provision would exempt from taxable income the first \$250,000 in gains for single taxpayers and \$500,000 for married taxpayers.

*Status: Signed by the Governor.*

**SB 30 (Kopp) Tax Credits against Future Tax Liabilities.** Allows a county or city to enter into a settlement with a taxpayer to substitute credits against future tax liabilities. This bill is related to AB 1807 (Takasugi) and AB 2318 (Knox).

*Status: Signed by the Governor.*

**SB 76 (Kopp) Public Disclosure of Insurance Company Property Statements.** Requires county assessors to compile lists of insurance companies who have filed statements reporting changes of ownership. Ensures that insurance companies don't make secret changes of ownership and evade Proposition 13 fair market value reassessment requirements.

*Status: Signed by the Governor.*

**SB 110 (Dills) Bradley-Burns Bill of Rights.** Shifts the burden on reporting use tax from out-of-state retailers to large in-state purchasers of equipment to ensure that local use tax is allocated to the jurisdiction where use of the property occurs. It also establishes general rights for cities and counties appealing Board of Equalization decisions.

*Status: Signed by the Governor.*

**SB 519 (Lockyer) Fast Track Conformity.** Conforms state law to federal law for late changes to the 1997 income tax year.

*Status: Signed by the Governor.*

**SB 542 (Alpert) Parent-Child Transfers.** Proposition 13 provides that property is only reappraised to market value when newly constructed or when a change of ownership occur. There are exceptions and if a qualified transferee files his or her application by this deadline, the property retains the Proposition 13 base-year value from the date of transfer. If the deadline is missed, the property is revalued up to its full market value as of the date of transfer, and the benefit is lost forever. This bill provides that if an otherwise qualified parent or child fails to meet the deadline, he or she may still receive the benefit of the transferor's Proposition 13 base year value, but not retroactively from the date of transfer.

*Status: Signed by the Governor.*

**SB 594 (Wright) Disaster Transfers.** Extends from three years to five years the time period for acquiring a replacement residence to which a base year value may be transferred from a disaster-destroyed home.

*Status: Signed by the Governor.*

**SB 1233 (Lockyer, Bustamante and Pringle) Dependent Credits: IRAs.** Enacts a \$150 increase in the dependent credit, \$50 effective 1/1/98, and an additional \$100 effective in 1/1/99. The bill also conforms to federal changes in Individual Retirement Accounts by increasing the income limits on eligibility for deductions and adjusts the Alternative Minimum Tax to inflation.

*Status: Signed by the Governor.*

**SB 1397 (Brulte) Holocaust Victims.** Excludes amounts received from Swiss banks by Holocaust survivors from taxation.

*Status: Signed by the Governor.*

***The following bills failed to pass the Committee:***

**AB 643 (Baldwin) 10% Personal Income Tax Rate Cut.** Reduces, over a period of two years, the personal income tax rate by 10% across the board, at an annual cost of \$2.7 billion per year when fully implemented. It would have largely benefited the wealthiest taxpayers at a cost of billions of dollars to education.

**AB 801 (Bowler) Use Tax Exemption for Used Cars.** Provides a use tax exemption for used cars sold by private parties to other private parties.

## Transportation

Assembly Democrats responded to several major transportation issues during 1997 and 1998 including the need to develop a funding plan to make the state's toll bridges earthquake safe. This multi-billion dollar earthquake safety program affects bridges in Southern California as well as the San Francisco Bay Area.

Under the active leadership of its chair, Assemblyman Kevin Murray, the Assembly Transportation Committee also acted to reform the state's new Smog Check II program after several thousand people protested the impact on low-income and fixed-income vehicle owners last fall.

In addition, the safety of motorists on California highways was a major focus of the Committee's efforts.

The following key bills were passed by the Assembly this year:

**AB 57 (Escutia), AB 208 (Migden) and AB 1492 (Baugh) Smog Check Reform.**

Establishes an "economic hardship waiver" for low-income and fixed-income vehicle owners which gives them up to two years to repair their vehicles rather than lose them or simply drive them without being registered. AB 208 redirects smog impact fees charged on out-of-state cars registering in California for the first time to help pay for repairs to vehicles owned by people with low- and fixed-incomes to achieve the vehicle emissions reductions necessary for public health. AB 1492 exempts all newer cars from the smog check program.

*Status: Signed by the Governor.*

**AB 584 (Villaraigosa) Los Angeles County Metropolitan Transportation Authority (MTA).**

Sets a four-year term for the Inspector General (IG) of the Los Angeles County MTA and requires a 2/3 majority vote of the MTA Board to remove the IG (other than for specific legal or ethical violations of law or policy). It also imposes the Code of Ethics on the MTA Board which, among other things, prohibits board members or their staff from influencing award of MTA contracts.

*Status: Signed by the Governor.*

**AB 595 (Brown) Bay Area Transportation Projects.** Authorizes the Metropolitan Transportation Commission in the San Francisco Bay Area to impose a gasoline sales tax of up to 10 cents per gallon for local transportation projects and transit operations, upon region-wide voter approval.

*Status: Signed by the Governor.*

**AB 731 (Keeley) Rail Projects.** Adds the San Jose-Oakland-Gilroy-Watsonville-Santa Cruz corridor and San Francisco Bay Area-San Jose-Oakland-Gilroy-Salinas-Monterey corridor to the list of inter-city rail corridors eligible to apply to the state for funds.

*Status: Signed by the Governor.*

**AB 827 (Thomson) Highway Safety.** Expands the number of “Safety Enhancement Double Fine Zones” on state highways, including Route 12, which doubles the fines for a number of unsafe driving violations, such as speeding, on sections of highways that have an extraordinary number of accidents. Also extends these enforcement zones until the turn of the century.

*Status: Signed by the Governor.*

**AB 930 (Thomson) Transportation: Bicycles.** Authorizes the use of specialized traffic control signals for bicycles. Creates specific guidelines for bicycle operations on local streets and roads.

*Status: Vetoed by the Governor.*

**AB 1143 (Murray) Los Angeles County Metropolitan Transportation Authority (MTA).**

Does away with “alternate” members who can serve in the absence of MTA Board members, sets a four-year term for the CEO of the MTA, and requires a 2/3 majority vote of the MTA Board to remove the CEO (other than for legal or ethical violation of law or policy). It also requires the CEO to directly award all construction contracts to the lowest responsible and responsive bidder.

*Status: Signed by the Governor.*

**AB 1191 (Shelley) Running Red Lights.** Responds to an alarming increase in traffic accidents at street intersections by doubling the fines for those that run red lights.

*Status: Signed by the Governor.*

**AB 1278 (Cardenas) Seatbelts.** Requires truck drivers to wear seatbelts when operating their vehicles.

*Status: Signed by the Governor.*

**AB 1302 (Wayne) and SB 60 (Kopp) Bridge Seismic Safety.** Establishes a funding plan for \$2.5 billion in earthquake safety work needed on seven state-owned toll bridges. It allocates \$790 million from voter-approved seismic safety bonds for toll bridge retrofit, provides another \$827 million from state transportation funds, and increases tolls on all San Francisco Bay Area bridges from \$1 to \$2 for ten years, which generates another \$827 million for the toll bridge projects. AB 1302 establishes a local “payment” plan for making the San Diego-Coronado Toll Bridge earthquake safe without raising the maximum toll rate.

*Status: Signed by the Governor.*

**AB 1368 (Villaraigosa) Diesel Emissions Clean-up.** Establishes a program to retrofit or replace heavy-duty diesel engines in trucks, ships and locomotives to reduce harmful emissions. Creates a research and development program to promote new technologies for heavy duty engines

*Status: Vetoed by the Governor.*

**AB 1389 (Perata) DMV Records Confidentiality.** Adds the surviving spouse or child of a peace officer who died in the line of duty to the list of persons who may elect to have their home address held confidential in records held by the DMV.

*Status: Signed by the Governor.*

**AB 1611 (Ortiz) Background Checks on Drivers.** Requires background checks on all drivers of private paratransit vehicles that carry those with developmental disabilities. AB 1611 was introduced after several drivers were arrested and charged with raping females with developmental disabilities who were being transported in “for-hire” paratransit vehicles. The drivers had previous history of illegal sexual activity unknown to their employers.

*Status: Signed by the Governor.*

**AB 1634 (Ortiz) Vehicles: Paratransit Vehicles.** Establishes safety requirements for paratransit vehicles and their drivers.

*Status: Signed by the Governor.*

**AB 1642 (Bowen) Gasoline.** Seeks to expand the types of fuel additives that are authorized for use in the state.

*Status: Vetoed by the Governor.*

**AB 1686 (Wildman) Highways: Soundwalls.** Establishes a program for the funding and construction of a specified list of soundwall projects.

*Status: Vetoed by the Governor.*

**AB 1851 (Wayne) Vehicles: Length Limitation Exceptions.** Allows the attachment of a folding bicycle rack to the front of an articulated transit bus or trolley.

*Status: Signed by the Governor.*

**AB 2030 (Gallegos) School Buses: Seatbelts.** Requires seatbelts in all newly manufactured school buses in the state.

*Status: Failed in the Senate.*

**AB 2038 (Migden) Toll Bridges: Bike Lanes.** Expands the list of allowable uses for revenue generated from a \$1 surcharge on vehicles passing specified bridges in the Bay Area.

*Status: Signed by the Governor.*

**AB 2062 (Cardenas) Vehicles: Safety Belts: Taxicabs.** Exempts taxicab operators from the safety belt requirement when the taxicab is driven on a city street and is engaged in the transportation of a fare-paying passenger.

*Status: Signed by the Governor.*

**AB 2066 (Sweeney) Vehicles: Peace Officers: Fleeing.** Seeks to increase the penalties for persons who are convicted of willfully evading a peace officer while operating a motor vehicle.

*Status: Signed by the Governor.*

**AB 2192 (Kuehl) High-Level Radioactive Materials and Spent Nuclear Fuel: Transportation.** Seeks to establish comprehensive statewide safety regulations for the transportation of high-level radioactive waste and spent nuclear fuel  
*Status: Vetoed by the Governor.*

**AB 2197 (Washington) Vehicles: Traffic Rules and Regulations: Violations.** Allows individuals who face hardship in paying total fines for traffic infractions to be alternatively sentenced to community service.  
*Status: Signed by the Governor.*

**AB 2375 (Strom-Martin) Vehicles: School Buses.** Modifies current law regarding the transportation of children in school buses by specifying exemptions from the requirement that school bus drivers display flashing lights at every stop where children are boarding and disembarking from the bus.  
*Status: Vetoed by the Governor.*

**AB 2454 (Murray) Transit Services: CalWORKs Recipients.** Provides \$10 million to counties for welfare-to-work transportation services.  
*Status: Vetoed by the Governor.*

**AB 2561 (Bowen) Vehicles: Driver's License: Alcohol: Minors.** Specifies a list of conditions a person under the age of 18 must meet before they will be issued or reissued a driver's license if it has been formerly revoked or suspended for a blood-alcohol concentration violation.  
*Status: Failed in the Senate.*

**AB 2597 (Murray) Vehicles: Drivers.** Creates the Drug-Free Commercial Truck and Bus Driver Task Force with 17 specified members to study and make recommendations for closing loopholes in the drug and alcohol testing programs for commercial drivers. It requires a report to the Legislature by January 31, 2000.  
*Status: Signed by the Governor.*

**ACA 30 (Murray) Gas Tax Revenues: Loans.** Establishes conditions on the loan of funds restricted by Article XIX of the California Constitution, funds in the Transportation Planning and Development Account, and local transportation funds.  
*Status: Signed by the Governor.*

**AJR 8 (Honda) Combination Trucks.** Calls upon the Congress and President to maintain the existing federal ban on longer combination trucks, such as triple trucks and "Rocky Mountain Doubles," as they consider re-enactment of federal transportation legislation.  
*Status: Adopted.*



**AJR 17 (Murray) Verification of License.** Calls upon President Clinton to maintain the existing ban on Mexican trucks entering California unabated until foreign driver's licenses can be verified and safety regulations can be enforced.

*Status: Adopted.*

**AJR 36 (Machado) Child Safety.** Calls upon Congress and the President to encourage automobile manufacturers to address problems related to child restraint systems.

*Status: Adopted.*

**AJR 39 (Thomson) ISTEA.** Calls upon Congress and the President, in reauthorizing the major federal transportation funding legislation known as the Intermodal Surface Transportation Efficiency Act (ISTEA), to guarantee a consistent funding base for the states, pay for California's border improvements, provide consistent support for transit, and increase the amount of federal funds California receives for air quality improvement and traffic congestion mitigation efforts.

*Status: Adopted.*

**SB 45 (Kopp) Transportation Planning.** Revises the state transportation planning and programming process to give local and regional agencies more control over project selection and to increase CalTrans' accountability for designing transportation projects.

*Status: Signed by the Governor.*

**SB 89 (Hayden) Los Angeles County Metropolitan Transportation Authority (MTA).**

Limits campaign contributions to MTA Board members, staff, and the immediate members of their families by any company seeking a contract from the MTA, or from a company that received a contract in the past four years. It also prohibits MTA employees from working for companies that received a contract from the MTA if the employee had anything to do with the award of the contract and requires the MTA to modify their standard “safety bonus” policy to focus on reducing accidents, rather than lost time due to accidents.

*Status: Signed by the Governor.*

**SB 545 (Rosenthal) Child safety: Boating.** Imposes age limits on children who operate motor boats and directs the Department of Boating and Waterways to study whether training requirements are needed.

*Status: Signed by the Governor.*

**SB 1250 (Kopp) Transit Vehicles: Driver Safety Records.** Requires public transit drivers to file accident reports with their transit agencies, and requires the transit agencies to maintain records of those reports filed pursuant to this provision.

*Status: Signed by the Governor.*

**SB 1329 (Leslie) Youth driving licenses.** Establishes a graduated driver’s license for youth, which requires more behind-the-wheel experience, prohibits new drivers from carrying teenage passengers, and restricts the night-time hours new drivers can drive.

*Status: Signed by the Governor.*

**SB 1964 (Costa) Vehicles: Jamming Devices.** Prohibits any vehicle from being equipped with a device that is designed for, or capable of, jamming or disabling law enforcement radar.

*Status: Signed by the Governor.*

**SB 2198 (Sher) Pollution: Prevention and Cleanup.** Establishes the Drinking Water Cleanup and Treatment Subaccount to address the treatment of contaminated drinking water and prohibits the adoption of air quality regulations regarding oxygenates in fuel without undergoing multimedia rulemaking.

*Status: Signed by the Governor.*

***The following bills failed to pass the Committee:***

**AB 557 (Firestone) Transportation Projects.** Authorizes the California Department of Transportation to enter into an unlimited number of agreements with private entities for a variety of transportation related projects. Private developers, who provided full or partial funding for the projects, would be allowed to design, build, manage, and own these facilities. Developers would also be allowed to charge tolls for the use of the facilities.

**AB 1811 (Oller) Highways: Sale of Tire Chains.** Allows the Department of Transportation (CalTrans) to issue permits for the purpose of the sale of tire chains and specifies that the activities allowed by the permit are allowed on state highways.

**AB 2478 (House) DMV: Contracts: Vehicle and Vessel Registration Fees.** Requires the Department of Motor Vehicles (DMV) to examine the feasibility of contracting out its current vehicle and vessel registration fee collection responsibilities.

**AB 2588 (Richter) Vehicle Weights.** Permits a combination vehicle consisting of a truck with cargo tank and pull trailer, that is used to carry petroleum products, to have a maximum gross vehicle weight not to exceed 86,000 pounds (raised from 80,000).

<sup>1</sup>**AB 2795 (Oller) Smog Check Program.** Repeals all Code sections which established the “Smog Check II” program.

**AB 2629 (Brewer) Zero-Emission Vehicles.** Seeks to limit the authority of the State Air Resources Board to enact air pollution reduction requirements upon manufacturers of new vehicles.

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<sup>1</sup> last minute gut and amend

## Utilities & Commerce

During an unprecedented period of upheaval in the public utility arena, Assembly Democrats passed during the 1997-98 legislative session a series of consumer protection bills to address growing concerns about the rights of consumers in a more competitive, less regulated environment.

Electricity restructuring, passed by the Legislature in 1996, went into effect this year. The Telecommunications Act of 1996, a federal overhaul of telecommunications policy, brought about significant changes in the telecommunications field.

Several bills dealt with the rights of consumers in a more competitive telecommunications market. Two issues of particular importance are “cramming” and “slamming.” Both are by-products of deregulation. “Cramming” is the occurrence of unauthorized charges being placed in inconspicuous locations on telephone bills. “Cramming” charges are usually comprised of services such as unauthorized voicemail options, Internet access options, calling cards, paging services, and 800 numbers. “Slamming” is the practice of changing a customer’s telephone company without his or her approval. The Assembly passed a number of bills aimed at ending these fraudulent practices.

Chaired by Assemblymember Diane Martinez, the Assembly Utilities and Commerce Committee has been committed to protecting the rights of consumers during this time of change. Several bills passed by the Assembly this year were written to ensure that the quality of service for consumers remains a top priority, even if the rules of the game have changed.

Following are key bills passed by the Assembly this year:

**AB 153 (Baldwin) Youth Group Use of Beaches and Recreation Areas and the Use of Buses to Transport Youth.** Prevents local and state agencies from charging youth groups a special fee in order to use public beaches and recreation areas.

*Status: Signed by the Governor.*

**AB 582 (Martinez) Telecommunication Competition.** Requires the California Public Utilities Commission to address specific questions in a report on how well competition is being achieved in the California telecommunication’s industry and whether it is providing the anticipated results. This report will ensure that the CPUC undertakes all necessary procedures to protect the consumer and that the desired effect is really being accomplished.

*Status: Vetoed by the Governor.*

**AB 637 (Alby) Utility Advertising.** Allows municipal utilities to expend ratepayer funds to advertise their services as specified, to attract new customers and to retain current customers. Exempts a municipal utility providing electrical services outside its jurisdictional boundaries from a local agency formation commission (LAFCO) review.

*Status: Signed by the Governor.*

**AB 835 (Washington) Small Business.** Promotes small and micro business growth in California by allowing small businesses to compete on an equal basis with the large businesses that dominate the state contracting process. Authorizes a state agency to award a contract for goods or services in an amount of \$2,500 up to \$49,999 to a small business, notwithstanding advertising and bidding requirements that would otherwise apply, as long as price quotations are obtained from two or more small businesses.  
*Status: Signed by the Governor.*

**AB 1096 (Martinez) Telephone Slamming.** Gives the victims of slamming financial recourse for time spent correcting the slam. This bill makes the violating company liable to the subscriber for an overcharge penalty of 10% of the total amount billed after the violation. In 1995, the CPUC received nearly 5,000 complaints. It is estimated that \$100 million is lost by consumers every year when their long-distance telephone service is switched without permission.  
*Status: Signed by the Governor.*

**AB 1161 (Martinez) Caller I.D.** Amends current law dealing with Caller I.D. notification by requiring telephone companies to notify their residential subscribers that their calls may be identified to a called party. AB 1161 requires that the notification must include information relating to *all options* available to the subscriber to protect them from having their name being displayed to a third party.  
*Status: Vetoed by the Governor.*

**AB 1423 (Martinez) Posting of Telephone Charges.** Requires providers of pay phones to post a notice describing all applicable telephone charges near the telephone, including individual customer telephone service activation fees charged for calls whether completed or not and the telephone number of the CPUC where the customer may lodge complaints.  
*Status: Signed by the Governor.*

**AB 1508 (Cardoza) The Rural Development Export Act of 1997.** Requires the California Office of Export Development to implement a Rural Strategy Program, designed to assist rural businesses in marketing to foreign locations and train staffs in overseas trade offices about the products and services available from the state's rural communities. While California is ranked as the number one exporting state in the nation, rural counties of California have not benefited substantially from the state's export activities.  
*Status: Vetoed by the Governor.*

**AB 1424 (Martinez) Telephone Pre-paid Debit Cards.** Sets standards that pre-paid debit card providers must meet before they can offer services to consumers. AB 1424 requires entities to register with the California Public Utilities Commission, and to provide proof of their financial viability. In other words, they must prove that they will be able to meet their obligations to their customers.  
*Status: Signed by the Governor.*

**AB 1664 (Murray) State Contracts: Participation Goals.** Requires the state to direct 30% of state agency contracting dollars to small businesses.  
*Status: Vetoed by the Governor.*

**AB 1994 (Bowen) Telephones: Pre-paid Debit Cards.** Protects consumers against hidden charges and fraud associated with prepaid phone cards by requiring issuers and sellers of these cards to represent accurately the services they are offering and fully disclose all associated costs on advertising and packaging material or on the cards themselves.

*Status: Signed by the Governor.*

**AB 2134 (Escutia) Telephone Solicitation.** Requires local phone companies to inform their customers about state and federal laws that protect the privacy rights of telephone consumers.

This bill also helps protect telephone consumers by allowing a consumer defrauded by an out-of-county solicitor to sue the fraudulent solicitor in the consumer's home county.

*Status: Signed by the Governor.*

**AB 2142 (Brown) Telecommunications: Truth in Billing.** Addresses the problem of "cramming," a practice in which consumers are charged for unauthorized services in their phone bills. Current law permits telephone companies to bill on behalf of others and requires telephone companies to offer such service on a non-discriminatory basis. This bill prohibits a person or corporation from misrepresenting its association or affiliation with a telephone carrier when soliciting the subscriber's agreement to purchase the products or services of the corporation, and having the charge for the service appear on the subscriber's telephone bill.

*Status: Signed by the Governor.*

**AB 2716 (Martinez) Telephones: Area Codes.** Updates the process for providing adequate notification by telephone companies to customers of the establishment of new telephone area codes. Requires at least three public meetings to provide the public with an opportunity to discuss potential disruptions related to the implementation of area codes, and how to resolve them. Because of rapid growth, the telecommunications industry projects that, between 1997 and 2000, at least 18 new area codes will be introduced statewide.

*Status: Signed by the Governor.*

**SB 90 (Sher) Renewable Technologies Funding.** Requires revenues collected by electrical corporations for renewable technologies to be deposited in the Renewable Resource Trust Fund. The moneys are, in part, to fund renewable energy resources.

*Status: Signed by the Governor.*

**SB 116 (Peace) Solar Energy Grant Program.** Current law does not provide adequate incentives for the installation of solar thermal and solar electric systems in homes. This bill requires the State Energy Resources Conservation and Development Commission to develop a solar energy systems grant program to provide incentives to help the solar industry become more cost competitive, encouraging the development of clean energy.

*Status: Vetoed by the Governor.*

**SB 378 (Peace) Telephones: Unauthorized Charges: "Cramming."** "Cramming" has been defined as the occurrence of unauthorized charges being placed in inconspicuous locations on telephone bills. Limits the types of goods and services that can be placed on a telephone

bill until the year 2001 to communications-related goods and services. Permits non-communications goods and services to be billed, within the same envelope, yet on a separate bill so subscribers can clearly distinguish all charges.

*Status: Signed by the Governor.*

**SB 477 (Peace) Electrical Service Consumer Protection. Electrical Restructuring Consumer Protection.** Modifies the definition of “special purpose trust” to facilitate the issuance of rate reduction bonds by the California Infrastructure and Economic Development Bank, and establishes electric consumer protections for residential and small commercial customers.

*Status: Signed by the Governor.*

**SB 1305 (Sher) Disclosure of Electrical Generation Source Information.** Requires disclosure of specific information to residential and small-commercial customers including accurate, reliable and understandable information on the generation attributes and the sources of the electricity. It also requires the CPUC to develop a standard format for these disclosures.

*Status: Signed by the Governor.*

**SB 405 (Peace) Telephones: Written Notice of Changes.** Requires telephone servers to provide written notice to their customers prior to the transfer of accounts to a different server. Although telephone service providers would be allowed some leeway in determining the timing and form of the notification, they must meet the following minimum standards:

1) the notice must be in writing; 2) the service provider must provide it to customers no later than 30 days before the proposed transfer; 3) the notice must contain a straightforward description of the upcoming transfer, any fees that the customer will be expected to pay, a statement of the customer’s right to switch to another carrier, and a toll-free number for consumer inquiries; and 4) the notice and the carrier’s description of service to customers must be included in the advice letter.

*Status: Signed by the Governor.*

**SB 779 (Calderon) Judicial Review at the California Public Utilities Commission.**

Expands and makes permanent the opportunity for public review and comment on major CPUC decisions prior to their adoption by the Commission. SB 779 would also require Office of Administrative Law (OAL) review of changes to CPUC practice rules, and bring judicial review of CPUC decisions into line with judicial review standards for other state administrative agencies. Also requires the CPUC to publish its decisions and rules on the Internet by July 1, 1999.

*Status: Signed by the Governor.*

**SB 1070 (Peace) Telecommunications: Customer Privacy.** Prohibits a telephone corporation from offering or selling to a business customer any service that permits a business from rejecting a call from a caller that possesses a call blocking service.

*Status: Vetoed by the Governor.*



**SB 2141 (O'Connell) Nuclear Power Plant Preparedness Program.** Incorporates changes to the state's Nuclear Power Plant Preparedness Program recommended by a task force representing state and local governments and the two utilities operating nuclear power plants in California. SB 2141 significantly strengthens the state's advance planning procedures and updates the responsibilities of the Office of Emergency Service (OES), Department of Health Services (DHS), local governments and utilities. Under this bill, OES would continue to have the prime mandate for coordinating all levels of emergency planning and response, and DHS would continue to have the technical lead for specific emergency phases.

*Status: Signed by the Governor.*

**SB 2166 (Costa) Public Utilities: Billing: Services to Tenants.** Allows landlords to voluntarily allow water and sewer service to be billed to them, and municipal utilities could not refuse to furnish services to a tenant in the tenants name due to the nonpayment of charges by a former tenant.

*Status: Signed by the Governor.*

## **Water, Parks & Wildlife**

After two years of efforts by Republicans to weaken the state's environmental laws, Assembly Democrats reversed course during the 1997-98 legislative session and sought to reform the State's regulation of its natural resources, water, parks, wildlife, flora and fauna to bring more efficient, cost effective management of these vital natural resources.

Under the leadership of Chairman Mike Machado, the Committee on Water, Parks and Wildlife thoroughly debated issues important to Californians such as flood control, endangered species and water transfers. Chairman Machado also pledged to investigate long-term solutions to the January, 1997 floods in order to lessen the danger to public safety and strengthen the state's infrastructure for future flood disasters.

During the 1998 session, water issues dominated the agendas for many of the hearings. Issues of particular concern were the use of recycled water, flood control subventions and the workings of the Metropolitan Water District of Southern California.

The Assembly Democratic Caucus in their "State of the Coast and Ocean 1998" report, highlighted the problems facing the Pacific Ocean and California's coast and offered solutions. Two of these solutions, AB 1241 (Keeley) and AB 2404 (Shelley) were passed by the Committee. Both of these bills offer new and innovative methods for managing marine resources and represent significant steps in the protection of the coast and ocean for generations to come.

### ***Informational Hearings:***

In January, 1997, Northern and Central California experienced devastating flooding. The Assembly Water, Parks and Wildlife Committee held three informational hearings in March and April regarding the Sacramento-San Joaquin River Systems and the impact of the flood.

The informational hearings occurred after the initial flood waters receded and communities began to rebuild. This provided the Committee with an opportunity to review the state's water delivery and flood control systems both prior to and during the flood event. The major topics of the Committee's three hearings were:

- The review of the operations and management of the current flood system prior to and during the flood event;
- Flood control policies and their impact on California's river system; and
- The emergency response and communications during the flood event.

The severity of January's flood and the impact on the people of California brought communities and people from throughout the state together to help one another. Individual legislators assisted by facilitating information and disaster relief assistance to flood victims.

The Committee released a summary of the informational hearings on the 1997 flood. Copies can be obtained by calling the Committee office.

The following significant measures were passed by the Assembly:

**AB 11X (Poochigian) Appropriations for Flood Damage Repair Work.** Appropriates \$4.7 million to the Department of Water Resources for flood control projects recommended in the final report of the Governor's Flood Emergency Action Team.

*Status: Signed by the Governor.*

**AB 254 (Machado) Safe, Clean, Reliable Water Supply and Flood Protection Act.** Enacts the Safe, Clean, Reliable Water Supply and Flood Protection Act, which authorizes a \$1.69 billion bond for the November ballot to finance safe drinking water, flood protection and water quality programs.

*Status: Failed in the Senate.*

**AB 291 (Machado) CALFED Bay Delta Program.** Prohibits a public agency, including a state or local agency, from expending any funds for the development of an isolated facility that is recommended by the CALFED Bay Delta Program, until the Legislature, by statute, specifically approves such an option.

*Status: Failed in the Senate.*

**AB 374 (Kuehl) Marine Life Refuge.** Establishes the Malibu Marine Life Refuge and the Point Dume Marine Life Refuge and creates a panel for scientific study of the refuges, contingent upon funding.

*Status: Held in the Senate.*

**AB 459 (Firestone) Shellfish.** Creates a pilot program to warn the public in order to prevent the taking and consumption of adulterated shellfish.

*Status: Signed by the Governor.*

**AB 1021 (Cedillo) Korean Museum.** Makes legislative findings and declarations as to the size and contributions of the Korean American population, the history and importance of the Museum to the City of Los Angeles, state and nation, and the public/private efforts to secure funding. Provides that state funding for the Korean American Museum is contingent upon funding provided in the Budget Act of 1998.

*Status: Signed by the Governor.*

**AB 1241 (Keeley) Marine Resources.** Enacts the Sea Life Recovery and Management Act, which creates the Marine Life Management Commission whose job is to determine state policy with regards to marine ecosystems, anadromous fisheries, marine mammals, birds and invertebrates and other wildlife and habitats within the coastal zone, tidal area, and marine waters. Requires the Department of Fish and Game to conduct research in the marine fisheries and to allow researchers to board fishing vessels.

*Status: Signed by the Governor.*

**AB 1280 (Bustamante) Endangered Species: Recovery Strategy Program.** Requires the Department of Fish and Game to develop and implement a recovery strategy for the greater sandhill crane, a state-threatened species.

*Status: Signed by the Governor.*

**AB 1464 (Strom-Martin) Water Pollution Prevention.** Requires the State Water Resources Control Board (SWRCB) to prepare and distribute a biennial list of targeted water bodies within coastal watersheds to establish priorities for project funding, technical support, and state and regional board activities that will protect or improve the health of these water bodies.  
*Status: Vetoed by the Governor.*

**AB 1625 (Richter) Fish and Game Penalties.** Increases the penalties for the illegal introduction of live fish, animals or plants into waters of the state to imprisonment in the county jail for not less than six months or a fine of not more than \$50,000. In addition, anyone convicted of illegally introducing an aquatic animal or plant into waters of the state will be liable for all public and private response, treatment and remediation efforts.  
*Status: Signed by the Governor.*

**AB 2027 (Machado) Water Transfer Clearinghouse.** Requires the California Water Commission to appoint a task force to review third-party impacts of water transfers and to investigate the establishment of a water transfer clearinghouse.  
*Status: Held in the Senate.*

**AB 2394 (Margett) Parks and Recreation: Property Acquisitions Contracts.** Modifies the real property acquisition procedures for the Department of Parks and Recreation and increases the term for specified leases entered into by the department.  
*Status: Signed by the Governor.*

**AB 2404 (Shelley) Marine Protection Areas.** Enacts the Sea Life Conservation Act which studies and identifies necessary modifications to existing marine managed areas and attempts to create a network of these marine managed areas which effectively preserve habitats and aquatic species, while improving non-consumptive uses.  
*Status: Vetoed by the Governor.*

**AB 2666 (Perata) Recycled Water Use.** Authorizes a Water Recycling Committee and appropriates \$5 million from the General Fund to the State Water Resources Control Board to administer grants funding research and development and other water recycling studies.  
*Status: Failed in the Senate.*

**AB 2710 (Kuehl) California Plan for Water Reliability Act.** Enacts the California Plan for Water Reliability Bond Act of 1998 and authorizes \$228 million from the California Plan for Water Reliability Bond for public works to implement the California Water Plan for the state's continued use of the Colorado River water.  
*Status: Failed in the Senate.*

**SB 11x (Maddy) Appropriation for Flood Damage Repair Work.** Appropriates \$10.4 million for erosion and sediment control projects caused by 1997 flood damage.  
*Status: Signed by the Governor.*

**SB 231 (Costa) Endangered Species: Routine and Ongoing Activities.** Allows for the taking of endangered, threatened, and candidate species incidental and accidental to routine agricultural activities. Farmers are given incentives to protect farmland that is home to endangered species and other wildlife. SB 231 contains major reform of the California Endangered Species Act (CESA) for farmers and ranchers, supported by some environmental groups.

*Status: Signed by the Governor.*

**SB 463 (Thompson) Abalone.** Establishes a ten-year permissive moratorium on the harvest of all species of abalone, for any purpose, in ocean waters south of San Francisco.

*Status: Signed by the Governor.*

**SB 879 (Johnston) Endangered Species.** Authorizes the Department of Fish and Game to issue incidental take permits, subject to certain provisions. This is a major breakthrough in efforts to reform the California Endangered Species Act, supported by industry and environmental groups.

*Status: Signed by the Governor.*

**SB 1415 (Burton) Chabot Observatory and Science Center.** Makes numerous findings regarding the need for a new Chabot Observatory and Science Center and appropriates funds to complete the fund.

*Status: Signed by the Governor.*

**SB 1875 (Hayden) Metropolitan Water District of Southern California.** Prohibits the Metropolitan Water District of Southern California (MWD) from using public funds to investigate elected officials who vote on MWD policies. Requires MWD to create and operate an Office of Ethics and to place increased emphasis on environmentally sound water development.

*Status: Vetoed by the Governor.*

**SB 2103 (Haynes) Recycled Water.** Establishes procedures for a customer to request recycled water service, to establish the rate for the recycled water service, to resolve disputes between the customer and the retail water supplier and to enforce those procedures.

*Status: Signed by the Governor.*

***The following bills failed to pass the Committee:***

**AB 184 (Richter) Conveyance Levees.** Requires levees that protect urban areas and provide water to other parts of the state to be designated as conveyance levees and managed under the jurisdiction of the Division of Dams in the Department of Water Resources (DWR). In addition, the bill requires DWR to establish design and safety standards for these levees and to assist local agencies in complying with the standards.

**AB 641 (Ashburn) Endangered Species.** Appropriates \$200,000 to the Department of Fish and Game to fund the activities of the commission created by the Governor to study the economic impact of protecting candidate, threatened and endangered species.

**AB 1350 (Prenter) Endangered Species.** Weakens the Endangered Species Act by revising the process by which a species is added to or removed from the list of endangered or threatened species.



**AB 2340 (Frusetta) Streambed Alteration Agreements.** Exempts emergency reconstruction of damaged parts of structures damaged by any natural or manmade disaster, the emergency removal of materials deposited by any natural or manmade disaster within a streambed or river channel, normal farming, silviculture and ranching activities and any preventative maintenance from having to obtain streambed alteration agreements.

**Highlights of the 1998 Budget**  
**Prepared by the Assembly Budget Committee**

**REVENUES AND EXPENDITURES**

Assembly Bill 1656 (Ducheny) appropriates \$78.8 billion in total funds for fiscal year 1998-99, representing a \$1.2 billion increase in expenditures over the Governor's May Revision. The budget bill contains \$58.6 billion in General Funds, which is approximately \$351 million above the Governor's May Revision proposal.

AB 1656 is predicated upon the Department of Finance revenue estimates for the budget year, which due to the strong economy and stock market, are forecast to be \$4.4 billion higher than projected in January (over a combined two fiscal year period) when the Governor originally proposed his State spending plan. Nevertheless, the revenues adopted by the Conference Committee are \$787 million less than the Governor's May Revision, which is attributable primarily to an increase in the dependent credit and the reinstatement of the renter's tax credit.

The following chart compares May Revision General Fund Revenues and Expenditures against those contained in AB 1656. As evidenced in the chart, total General Fund resources available to the Conference Committee are approximately \$1.2 billion less than used by the Administration when developing the May Revision expenditure plan. As noted above, this is primarily due to the adoption of tax credit bills. However, it also reflects the loss of \$238 million in federal funds that will not materialize.

**GENERAL FUND CONDITION STATEMENT**

(in millions)

	<b>GOVERNOR'S REVISED 1998-99 BUDGET</b>	<b>CONFERENCE COMMITTEE VERSION</b>	<b>DIFFERENCE</b>
Prior Year Balance	\$2,520	\$2,139	-\$381
<i>Revenues and Transfers</i>	57,847	57,060	-787
<b>Total Resources Available</b>	<b>\$60,367</b>	<b>\$59,199</b>	<b>-\$1,168</b>
<b>Total Expenditures</b>	<b>\$58,274</b>	<b>\$58,625*</b>	<b>\$351</b>
<b>Fund Balance</b>	<b>\$2,093</b>	<b>\$574</b>	<b>-\$1,519</b>
Reserves:			
Encumbrances	445	445	0
Economic Uncertainties	1,648	129	-1,519

\*Includes a \$40 million set-aside for Developer Fee Reimbursements.

The chart below compares May Revision General Fund expenditures by major agencies to those adopted by AB 1656. The chart only compares General Funds appropriated by the bill and does not include continuous appropriations, non-governmental funds and/or funds appropriated in a prior year, but will be spent in 1998-99.

<b>GOVERNOR'S MAY REVISION VS. CONFERENCE COMMITTEE VERSION 1998-99 BUDGET - GENERAL FUND EXPENDITURES COMPARISON BY AGENCY (in millions)</b>			
	<b>Governor's Revised 1998-99 BUDGET</b>	<b>CONFERENCE COMMITTEE VERSION</b>	<b>DIFFERENCE</b>
Resources & Environmental Protection Agency	\$1,350	\$1,393	\$43
Health & Welfare	15,362	15,605	243
Youth & Adult Corrections	4,494	4,482	-12
K-12 Education	24,041	24,304	263
Higher Education	7,527	7,686	159
General Government & Remaining Areas	5,500	5,155	-345
<b>TOTAL</b>	<b>\$58,274*</b>	<b>\$58,625</b>	<b>\$351</b>

\* Includes a \$40 million set-aside for Developer Fee Reimbursements.

## BUDGET CONFERENCE COMMITTEE SUMMARY

THE FOLLOWING IS A SUMMARY OF MAJOR BUDGET CONFERENCE COMMITTEE ACTIONS REFLECTED IN THE 1998 BUDGET BILL, INCLUDING: K-12 EDUCATION; HIGHER EDUCATION; TAX CUTS; HEALTH; DISABILITY PROGRAMS; SOCIAL SERVICES; LOCAL GOVERNMENT; GENERAL GOVERNMENT; PUBLIC SAFETY/CORRECTIONS; TRANSPORTATION; AND RESOURCES AND ENVIRONMENTAL PROTECTION.

### K-12 EDUCATION

The 1998 budget significantly increases investments in the public education system. Specifically, the budget provides an increase of approximately \$800 million over the Proposition 98 General Fund guarantee level, which includes both K-12 and Community Colleges. AB 1656 accomplishes this by providing \$230 million more General Fund, or a 45 percent increase, than was proposed by the Governor for K-12 and Community Colleges.

- ***Deferred Maintenance.*** The budget provides \$115 million in on-going funding for all school districts to meet their facilities deferred maintenance needs. In addition, the budget includes an additional \$100 million in one-time funds for schools with classrooms that are over 25 years old.
- ***9<sup>th</sup> Grade Class Size Reduction.*** The budget includes \$88.9 million to reduce class sizes in a second subject area for the 9<sup>th</sup> grade. Participating schools would receive \$135 per-pupil, which is the current funding rate provided for the Morgan/Hart Class Size Reduction Program for grades 9-12, inclusive.
- ***K-3 Class Size Reduction.*** The budget includes \$1.5 billion to continue funding for the Class Size Reduction Programs in grades K-3.
- ***After School Programs.*** The budget provides \$50 million of on-going funds for after school programs. These funds will be allocated through a competitive grant process to provide childcare for elementary, middle and junior high schools. The program will offer a safe environment for students at the school site until 6:00 p.m. on all school days.
- ***Remediation Programs.*** The budget provides \$75 million for remediation programs for students performing below grade level. These programs may be offered during school hours, after school, or in summer session.
- ***Instructional Materials.*** The budget provides \$250 million a year for four years for the purchase of instructional materials in grades K-12. Districts will be given funding for standards-based textbooks in 1998-99. These on-going funds will be used by districts to purchase textbooks in all core curriculum subjects over the next four years.

- **College Preparation.** The budget provides \$30 million for college preparation programs for schools with low college participation rates. Of the funds, \$20 million is allocated for grants to schools districts to form partnerships with higher education institutions and community groups, and \$10 million is reserved for SAT Preparation and Advanced Placement programs.
- **Cost of Living Adjustment.** The budget includes \$375 million for a Cost-of-Living-Adjustment for revenue limits at the current statutory rate of 3.95 percent, which provides discretionary funding for California schools districts.
- **Longer School Year.** The budget provides \$195 million to fund three days of staff development, outside of the 180-day instructional year, for classroom teachers at \$270 per teacher per day and one day for classroom aides at \$140 per day.
- **Library Materials.** The budget provides \$158.5 million for school districts to update library resources, including books, periodicals, computer software, and equipment necessary to provide library resources within the school library.
- **Science Equipment.** The budget provides \$71.5 million in one-time funds for schools to purchase science lab equipment.
- **Teacher Preparation.** The budget provides \$33 million to expand teacher mentoring through the Beginning Teacher Support and Assessment Program (BTSA), \$10 million to augment the Paraprofessional Teacher Training Loan Assumption Program, and \$11.8 million to expand the pre-intern teacher preparation program.

## HIGHER EDUCATION

- **Enrollment Growth.** The budget fully funds enrollment growth at the University of California (UC), California State University (CSU) and the Community College system.
- **Financial Aid.** The budget contains \$46 million to expand the Cal Grant Program, representing the largest increase in financial aid funding in history. This action will provide new awards for 13,000 qualified needy students and come closer to meeting the statutory goal.
- **Outreach.** The budget includes \$43.5 million to expand student academic outreach programs at the UC, CSU and the Student Aid Commission. Of these funds, \$38.5 million will be for UC outreach programs, \$4 million for CSU outreach programs, and \$1 million for Student Aid Commission outreach programs.

- **Student Fees.** Pursuant to legislation passed in the legislature last year, AB 1318 (Ducheny), the budget includes \$54 million to reduce fees by five percent at the UC and CSU, and by \$1 per unit at Community Colleges for the 1998-99 academic year.
- **Teacher Preparation.** The budget provides \$6.5 million to fund state support for summer session teacher preparation programs at UC and CSU, \$9.3 million to expand enrollment in CSU teacher preparation programs, \$5 million to create a distance learning teacher preparation program, \$10 million to fund 3,000 “Cal Grant T” financial aid awards, and authorization to expand the APLE teacher loan forgiveness program by 4,100.
- **Deferred Maintenance and Instructional Equipment.** The budget provides the UC and CSU with \$140 million in one time funds for deferred maintenance, instructional analytical equipment and computer labs.
- **Partnership for Excellence.** The budget provides \$100 million in general purpose funding for Community Colleges in exchange for local accountability and improved student outcomes.

## TAX CUTS

- **Vehicle License Fee Cut.** The budget contains \$533 million to permanently reduce the Vehicle License Fee (VLF) by 25 percent beginning in January 1, 1999. The Motor Vehicle License Fee Account will be made whole, and local governments protected, by using General Fund dollars to replace revenues not collected due to the cut. The VLF will incrementally be reduced even further, up to 67.5 percent in 2002-03, if General Fund revenues significantly outperform current projections. The revenue targets will be high enough to ensure education investments continue to increase in future years.
- **Additional Tax Cuts.** The budget contains additional significant tax cuts, including: \$133 million for the Renters’ Tax Credit, which will provide a \$60 nonrefundable credit to single renters who earn less than \$25,000 and a \$120 nonrefundable credit to couples who earn less than \$50,000; \$115 million for targeted tax cuts (\$53 million of these cuts will remain in place should Proposition 7, the Planning and Conservation League (PCL) tax credit proposal, pass in November); and \$614 million to increase the dependent exemption credit to \$250 per dependent beginning in tax year 1998 – the credit was previously scheduled to increase to \$120 in tax year 1998 and to \$222 in tax year 1999.

## HEALTH

- **Health Coverage for Children.** The Legislature expanded the Healthy Families program to cover 200,000 additional children by including children in families with incomes up to 250 percent of the federal poverty level. In addition, the program was also expanded to include new legal immigrant children arriving after August 22, 1996. The budget includes \$3.1 million for this expansion.
- **Medi-Cal Rate Increases.** The budget provides several rate increases in the Medi-Cal program, particularly rates that were believed to present a barrier to access. Specifically, the budget includes a 20 percent rate increase for primary and preventive care services for children, a ten percent increase for similar services for adults, and a five percent rate increase for Early and Periodic Screening Diagnostic and Treatment (EPSDT) services. A total of \$240 million is included for Medi-Cal rate increases.
- **Health Care Safety Net.** The budget includes \$18 million for grants to community health clinics for indigent health care services. This represents an increase of 100 percent over the level of funding for the current year. In addition, the Legislature assisted clinics in their transition to managed care by providing funding for capital equipment.
- **Safe Drinking Water.** The budget includes \$15.2 million that will be used to draw down approximately \$75 million in federal funds for the state's Safe Drinking Water Revolving Fund. These monies will be awarded to local water districts to fund a variety of projects aimed at improving the quality and safety of drinking water.

## DISABILITY PROGRAMS

- **Supported Living Services Rate Increase.** The budget provides a five percent rate increase at a cost of \$5.1 million to expand access to the Supported Living Services program, which provides adults with disabilities the opportunity to live more independently in the community.
- **Improved Case Management Services for the Developmentally Disabled.** The budget makes a significant investment in improving the quality of case management for individuals with disabilities by providing \$28 million to reduce the ratio of case managers to clients.
- **Community Care Facilities Rate Increase and Staff Training.** The budget includes several major proposals to enhance the quality of life for persons with disabilities residing in community settings. The Legislature approved a \$20 million plan to train and increase wages for direct care staff in licensed community care facilities. In addition, the Legislature provided a four percent rate increase for community care facility providers at a cost of \$15 million.



## SOCIAL SERVICES

- **CalWORKs.** The budget includes the statutorily required restoration of the welfare grant reduction and the welfare COLA for CalWORKs recipients. A family of three in a high-cost county currently receives a monthly grant of \$565. This would increase to \$609 per month.
- **SSI/SSP COLA.** The budget includes \$101 million to provide the statutory state SSI/SSP COLA and an additional one percent grant increase. Currently, an aged or disabled individual receives \$650 per month. This would increase to \$676 per month.
- **Legal Immigrants.** The budget provides funding for a state-only program to provide SSI/SSP benefits to legal noncitizens and for a state-only program to provide food stamp benefits to legal noncitizens who became ineligible for the federal programs due to federal welfare reform.
- **Child Welfare Services Program.** The budget includes an increase of \$40 million for counties in the Child Welfare Services program to provide more case management and services to children who are abused and neglected.
- **Foster Care.** The budget includes \$104 million to enhance and improve foster care programs in California.
- **Battered Women's Shelters.** The budget provides \$5 million to increase services through the Battered Women's Shelter Program.
- **Seniors.** The budget includes an increase of \$52.7 million to expand the Adult Protective Services program, which responds to reports of abuse and neglect of adults and the elderly. In addition, the budget provides \$18 million to expand Multi-purpose Senior Service Programs, Adult Day Health Care and Alzheimer Day Care Resource Centers and Linkage programs.
- **Child Support Automation system.** The budget funds the California Child Support Automation system (CCSA) to replace the failed Statewide Automated Child Support (SACSS) system that cost taxpayers over \$100 million dollars. The CCSA is scheduled to be federally approved by September 30, 2001.

## LOCAL GOVERNMENT

- ***Trial Court Maintenance of Effort.*** The budget appropriates an additional \$27.8 million to reduce county remittance levels to the state for trial court maintenance of effort. AB 233 (Escutia and Pringle), Chapter 850, Statutes of 1997 caps county contributions at their 1994-95 levels, however this adjustment is necessary as a result of reported 1994-95 amounts including costs that were supported by various grants or were one-time costs only.
- ***State Support for Trial Courts.*** The budget agreement contains Trailer Bill language that provides significant relief to counties by buying out the court costs of 17 additional small counties, increasing the total number of bought out counties to 37. The remaining counties will have an additional 10 percent of their court costs back filled with General Fund dollars. The adjustments will take effect beginning in fiscal year 1999-00 for a total cost of \$92 million. In addition, counties will receive approximately \$50 million over five years beginning in 1999-00 to mitigate the loss of funds resulting from the maintenance of efforts adjustment being delayed from 1997-98 to 1998-99.
- ***Citizens Option for Public Safety (COPS).*** The budget appropriates \$100 million for the popular Citizens' Options for Public Safety (COPS) program, which provides funding for frontline public safety activities for local law enforcement entities.
- ***Infrastructure Bank Funding.*** The budget appropriates \$50 million for the Infrastructure Bank to create jobs and finance local projects such as city streets, county highways, flood controls, and parks.
- ***Local Detention Facilities.*** The budget provides \$81.4 million in federal funds for counties to construct local detention facilities, including juvenile facilities.

## GENERAL GOVERNMENT

- ***Housing.*** The budget includes approximately \$40 million to help meet housing needs for Section 8 residents, farmworkers, and families on public assistance, and to provide local assistance for various programs. The housing package includes investments in the following programs: \$2 million increase for the Emergency Housing Assistance Program (EHAP), \$11 million increase in the farmworker housing programs, \$15 million increase for the California Housing Rehabilitation Program, \$1 million increase for the Self-Help housing program, \$10 million for the Moving to Work Families Housing Program, and \$5 million for construction of emergency housing shelters.

- **Employee Compensation.** The budget provides \$546 million for a six percent salary increase for California's state workers effective July 1, 1998, and an additional three percent increase effective January 1, 1999. State employees have not received a pay increase in over four years.
- **Smog Check II.** This program was restructured to offer substantial reforms that make the program more consumer friendly and provide important low-income assistance measures. By expanding the number of Gold Shield Stations that can test, repair and certify vehicles, consumers will experience less onerous measures to smog their vehicle. \$93 million was approved to run the reformed Smog Check II program.
- **Information Technology.** The budget provides \$19 million to various state agencies for their Year 2000 compliance efforts. In addition, the budget contains a \$20 million Year 2000 Problem reserve account for state agencies and departments to draw from in the event existing funds are not sufficient to complete compliance efforts.

## PUBLIC SAFETY/CORRECTIONS

- **Challenge Grants.** The budget approves \$30 million to expand the Juvenile Crime Enforcement and Accountability Challenge Grant Program. This program offers competitive grants to counties that develop programs that integrate and deploy local resources in innovative, collaborative ways to address juvenile justice priorities facing their communities. This appropriation involves a specific set aside of \$15 million for grant proposals targeting the unique problems associated with female juvenile offenders.
- **Substance Abuse Treatment Beds.** The budget approves a \$5 million proposal to increase the number of substance abuse treatment beds by 1,000. The proposal also provides for increased after care services for graduates of the in-prison substance abuse treatment as a proactive measure to prevent relapses.
- **Parolee Programs.** The budget provides \$7.6 million to fund the expansion of the Preventing Parolee Failure Program (PPFP) and restore Parole Casework Services resources. This will provide parolees with various resources and assistance to facilitate their efforts to reintegrate back into society. In addition, the budget includes \$2 million to undertake a pilot program to assist drug-addicted women parolees with children. The program will offer these parolees specialized services such as child care.
- **Repeat Offender Programs.** The budget provides \$4 million for the continuation and expansion of the Eight Percent Solution Program, also known as the Repeat Offender Project. This program concentrates on intervention and crime suppression approaches for targeted at-risk youth and repeat offenders.

## TRANSPORTATION

- **State Transportation Improvement Program.** The budget appropriates over \$160 million from the State Highway Account (SHA), federal funds and reimbursements for Caltrans to acquire staff for the planning and design of the 1998 State Transportation Improvement Program (STIP) projects. For the first time in six years, significant funding is available for improvements to California's ailing transportation infrastructure including funding for additional staff to ensure project delivery stays on schedule.
- **Public Transportation Account (PTA) Loan.** The budget repays \$46 million of the \$91.5 million Public Transportation Account (PTA) loan to the General Fund executed in the Budget Act of 1993. The funds will be used to ensure local transit operators receive the expected level of funding and cover the cost of Transit Capital Improvement projects approved in previous years.

## RESOURCES & ENVIRONMENTAL PROTECTION

- **Parks.** The budget maintains California's parks, open space and habitat by investing \$130 million for the acquisition and development of nature preserves, community and state parklands, urban river parkways, the Santa Monica Mountains Conservancy, and agricultural lands threatened by development.
- **The Coast.** The budget protects California's coastal resources by including \$60 million for acquisition and development of significant coastal properties, protection and maintenance of coastal wetlands, marine resource management, enhanced coastal monitoring, and the improvement of water quality in key watersheds through the prevention and reduction of non-point source water pollution.
- **Public Health.** The budget protects public health by investing \$40 million for various programs which include conducting pilot testing of alternatives to pesticides and rice straw burning; increasing monitoring of fine particulate matter; reducing solid waste by providing incentives to increase demand for recycled content products; cleaning up of illegal drug laboratories; and providing incentives to operators of heavy duty on and off road vehicles to replace diesel engines that emit high levels of nitrogen oxide with low emission technology.
- **Water.** The budget protects groundwater and drinking water supplies by providing \$32 million for small business owners to clean up polluted underground petroleum storage tanks before the December 1998 deadline prohibits delivery to unimproved storage tanks. In addition, the budget provides \$40 million to pay the state's share of local flood control projects, \$10 million for feasibility and environmental studies for the Site's Reservoir Project site, and \$6 million for the ongoing operation of the state-federal program to

restore the environment and resolve water reliability problems in the San Francisco Bay-San Joaquin Delta.